



**Certificate of Continuance**

**Canada Business  
Corporations Act**

**Certificat de prorogation**

**Loi sur les sociétés  
commerciales canadiennes**

**159569 CANADA LTD.**

**227602-0**

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the above-mentioned Corporation was continued under Section 181 of the Canada Business Corporations Act as set out in the attached Articles of Continuance.

Je certifie par les présentes que la société mentionnée ci-haut a été prorogée en vertu de l'article 181 de la Loi sur les sociétés commerciales canadiennes, tel qu'indiqué dans les clauses de prorogation ci-jointes.

Le Directeur

Director

December 15, 1987/le 15 décembre 1987

Date of Continuance - Date de la prorogation



Consumer and Corporate Affairs Canada

Consommation et Corporations Canada

Canada Business Corporations Act

Loi sur les sociétés commerciales canadiennes

FORM 11 ARTICLES OF CONTINUANCE (SECTION 181)

FORMULE 11 CLAUSES DE PROROGATION (ARTICLE 181)

1 - Name of Corporation 159569 CANADA LTD. Dénomination de la société

2 - The place in Canada where the registered office is to be situated TORONTO, ONTARIO Lieu au Canada où doit être situé le siège social

3 - The classes and any maximum number of shares that the corporation is authorized to issue The Company is authorized to issue an unlimited number of shares of one class, without nominal or par value. Catégories et tout nombre maximal d'actions que la société est autorisée à émettre

4 - Restrictions if any on share transfers The right to transfer shares of the Corporation shall be restricted in that no shareholder shall be entitled to transfer any share or shares of the Corporation without the express sanction of the directors of the Corporation expressed by votes of a majority of the directors of the Corporation at a meeting of the board of directors or by an instrument or instruments in writing signed by a majority of the directors. Restrictions sur le transfert des actions s'il y a lieu

5 - Number (or minimum and maximum number) of directors Minimum - 1; Maximum - 10. Nombre (ou nombre minimum et maximum) d'administrateurs

6 - Restrictions if any on businesses the corporation may carry on None Limites imposées quant aux activités que la société peut exploiter, s'il y a lieu

7 - (1) If change of name effected, previous name (1) Si changement de dénomination, dénomination antérieure Gallery Holdings Ltd. (2) Details of incorporation (2) Détails de la constitution (i) Incorporated in the Northwest Territories on 13th of April, 1970.

8 - Other provisions if any See Schedule "A" Autres dispositions s'il y a lieu

Table with 3 columns: Date (December 14/87), Signature (Fred H. Hynes), Description of Office (President and Director)

**SCHEDULE "A"**  
**to the**  
**ARTICLES OF CONTINUANCE**  
**of**  
**159569 CANADA LTD.**

Other provisions:

1. The number of shareholders of the Corporation, exclusive of persons who in the employment of the Corporation and exclusive of persons, who, having been formerly in the employment of the Corporation, were, while in that employment, and have continued after the termination of that employment to be shareholders of the Corporation, is limited to not more than 50, two or more persons who are the joint registered owners of one or more shares being counted as one shareholder.
2. Any invitation to the public to subscribe for securities of the Corporation is prohibited.



**Certificate of Amendment**

**Certificat de modification**

**Canada Business  
Corporations Act**

**Loi régissant les sociétés  
par actions de régime fédéral**

**159569 CANADA LTD.**

**227602-0**

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the  
Articles of the above-mentioned  
Corporation were amended

Je certifie par les présentes que  
les statuts de la société  
mentionnée ci-haut ont été modifiés

(a) under Section 13 of the  
Canada Business Corporations  
Act in accordance with the  
attached notice;

(a) en vertu de l'article 13 de la  
Loi régissant les sociétés par  
actions de régime fédéral  
conformément à l'avis ci-joint;

(b) under Section 27 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment  
designating a series of shares;

(b) en vertu de l'article 27 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes  
désignant une série d'actions;

(c) under Section 177 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment;

(c) en vertu de l'article 177 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes;

(d) under Section 191 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Reorganization;

(d) en vertu de l'article 191 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué  
dans les clauses de réorganisation  
ci-jointes;

(e) under Section 192 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Arrangement.

(e) en vertu de l'article 192 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses d'arrangement ci-jointes.

Le directeur

Director

August 2, 1989/le 2 août 1989

Date of Amendment - Date de la modification



Consumer and  
Corporate Affairs Canada

Canadian Business  
Corporations Act

Consommation  
et Corporations Canada

Loi sur les sociétés  
commerciales canadiennes

**FORM 4**  
**ARTICLES OF AMENDMENT**  
**(SECTION 27 OR 171)**

**FORMULE 4**  
**CLAUSES MODIFICATRICES**  
**(ARTICLE 27 OU 171)**

1 Name of Corporation — Dénomination de la société

159569 Canada Ltd.

2 — Corporation No. — N° de la société

227602-0

3 — The articles of the above-named corporation are amended  
as follows:

Les statuts de la société ci-haut mentionnée sont modifiés de la  
façon suivante:

Delete "Toronto, Ontario" in item 2 and  
replace it with "Calgary, Alberta"

July 26, 1989

Signature

  
R.M. Perrin

Description of Office — Description du poste

Corporate Secretary

FOR DEPARTMENTAL USE ONLY — À L'USAGE DU MINISTÈRE SEULEMENT

Filed — Déposée

2-8-1989



**Certificate of Amendment**

**Certificat de modification**

**Canada Business  
Corporations Act**

**Loi régissant les sociétés  
par actions de régime fédéral**

**Interprovincial Pipe Line System Inc.  
Pipe Line System Interprovincial Inc.**

**227602-0**

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the  
Articles of the above-mentioned  
Corporation were amended

Je certifie par les présentes que  
les statuts de la société  
mentionnée ci-haut ont été modifiés

(a) under Section 13 of the  
Canada Business Corporations  
Act in accordance with the  
attached notice;

(a) en vertu de l'article 13 de la  
Loi régissant les sociétés par  
actions de régime fédéral  
conformément à l'avis ci-joint;

(b) under Section 27 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment  
designating a series of shares;

(b) en vertu de l'article 27 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes  
désignant une série d'actions;

(c) under Section 177 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment;

(c) en vertu de l'article 177 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes;

(d) under Section 191 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Reorganization;

(d) en vertu de l'article 191 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué  
dans les clauses de réorganisation  
ci-jointes;

(e) under Section 192 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Arrangement.

(e) en vertu de l'article 192 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses d'arrangement ci-jointes.

Le directeur

Director

**April 30, 1992/le 30 avril 1992**

Date of Amendment - Date de la modification

CANADA BUSINESS CORPORATIONS ACT  
FORM 4

ARTICLES OF AMENDMENT

(SECTION 27 OR 171)

1. NAME OF CORPORATION  159569 CANADA LTD.	2. CORPORATION NO.  227602-0
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3. THE ARTICLES OF THE ABOVE-NAMED CORPORATION ARE AMENDED AS FOLLOWS:

Article 1 of the Articles of Continuance of the Corporation is amended pursuant to paragraph 173(1) of the Canada Business Corporations Act by deleting Article 1 in its entirety and replacing it with the following:

- 1.- Name of Corporation  
The English form of the name shall be Interprovincial Pipe Line System Inc. and the French form of the name shall be Pipe Line System Interprovincial Inc.

Article 2 of the Articles of Continuance of the Corporation is amended pursuant to paragraph 173(1) of the Canada Business Corporations Act by deleting Article 2 in its entirety and replacing it with the following:

- 2.- The Place in Canada where the registered office is to be situated  
Edmonton, Alberta

Article 3 of the Articles of Continuance of the Corporation is amended pursuant to paragraph 173(1) of the Canada Business Corporations Act by deleting it in its entirety and replacing it with the following:

- 3.- The classes and any maximum number of shares that the Corporation is authorized to issue.

The Corporation is authorized to issue:

- (a) an unlimited number of common shares without nominal or par value, the holders of which shall be entitled:
- (i) to vote at all meetings of the shareholders, except at meetings at which only holders of a specified class or series are entitled to vote, and to have one vote for each common share held;
  - (ii) to receive any dividend declared by the Corporation on common shares and, subject to the rights, privileges, restrictions and conditions attaching to any preference shares of the Corporation, to receive the remaining property of the Corporation upon dissolution; and
  - (iii) subject to the provisions of the Canada Business Corporations Act, the board of directors in declaring at any time a dividend on common shares may provide for the payment of such dividend in the form of a stock dividend to the holders of such shares who, prior to the date of declaration, have elected to receive stock dividends in lieu of any cash dividends. A stock dividend shall be payable in fully paid and non assessable common shares and shall have a value per share, as determined by the board, that is substantially equivalent as of a specified date or period of days to the cash amount per share payable to the holders not so electing. The holders so electing shall receive cash in lieu of any fractional interests in shares to which they would otherwise be entitled unless the board shall determine to distribute fractional interests. Notwithstanding the foregoing, the board, if in its opinion it would be in the best interests of the Corporation, may exclude from the right to elect to receive stock dividends any holders whose addresses on the securities register of the Corporation are in specified jurisdictions outside Canada or who are residents of or subject to the laws of specified jurisdictions outside Canada.
- (b) an unlimited number of preference shares without nominal or par value, which shares shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions:
- (i) the preference shares may be issued by the board of directors at any time or from time to time in one or more series, and, with respect to each series, the board shall fix the number of shares comprising the series and determine the designation, rights, privileges, restrictions and conditions attaching to the shares of the series, subject to any limitations set out in these articles; and
  - (ii) the preference shares of each series shall rank on a parity with the preference shares of every other series with respect to priority in the payment of dividends and with respect to priority on the return of capital, or any other distribution of assets of

the Corporation, in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary (herein referred to as a "liquidation distribution"); and

- (iii) the preference shares of each series shall be entitled to preferences over the junior shares of the Corporation (as hereinafter defined) with respect to priority in the payment of dividends and with respect to priority on a liquidation distribution and, subject to clause (ii) above, the board of directors may give the preference shares of any series such other preferences over the junior shares as they see fit. "Junior shares" mean the common shares and any other shares of the Corporation that may rank junior to the preference shares with respect to priority in the payment of dividends and/or with respect to priority on a liquidation distribution; and
- (iv) the holders of preference shares of a series shall not be entitled to receive notice of or to attend or vote at meetings of the shareholders of the Corporation except as required by law. At any meeting of the holders of the preference shares as a class or at any joint meeting of the holders of two or more series of the preference shares, each holder of preference shares entitled to vote thereat shall have on a poll one one-hundredth of a vote in respect of each dollar of the issue price of each share held, and the formalities to be observed with respect to the giving of notice of any such meeting, the quorum therefor and the conduct thereof shall *mutatis mutandis* be those then prescribed by the Corporation's by-laws or standing board resolutions with respect to meetings of shareholders.

Article 4 of the Articles of Continuance of the Corporation is amended pursuant to paragraph 173(1) of the Canada Business Corporations Act by deleting it in its entirety and replacing it with the following:

4.- Restrictions if any on share transfers.

There are no restrictions on share transfers.

Article 7 of the Articles of Continuance of the Corporation is amended pursuant to paragraph 173(1) of the Canada Business Corporations Act by deleting Article 7 in its entirety and replacing it with the following:

7.- If change of name effected, previous name

Article 8 of the Articles of Continuance of the Corporation is amended pursuant

to paragraph 173(1) of the Canada Business Corporations Act by deleting it in its entirety.

<table><tr><td data-bbox="284 619 357 651">1992</td><td data-bbox="414 588 511 651">DATE April</td><td data-bbox="560 598 641 651">23</td></tr><tr><td data-bbox="284 651 357 682">YEAR</td><td data-bbox="414 651 511 682">MONTH</td><td data-bbox="560 651 641 682">DAY</td></tr></table>	1992	DATE April	23	YEAR	MONTH	DAY	<table><tr><td data-bbox="730 588 1006 661"></td></tr><tr><td data-bbox="763 651 941 682">B.G. Melnyk</td></tr></table>		B.G. Melnyk	DESCRIPTION OF OFFICE Corporate Secretary
1992	DATE April	23								
YEAR	MONTH	DAY								
										
B.G. Melnyk										
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**Certificate of Amendment**

**Certificat de modification**

**Canada Business  
Corporations Act**

**Loi régissant les sociétés  
par actions de régime fédéral**

**INTERPROVINCIAL PIPE LINE SYSTEM INC./  
RÉSEAU DE PIPELINES INTERPROVINCIAL  
INC.**

**227602-0**

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the  
Articles of the above-mentioned  
Corporation were amended

Je certifie par les présentes que  
les statuts de la société  
mentionnée ci-haut ont été modifiés

(a) under Section 13 of the  
Canada Business Corporations  
Act in accordance with the  
attached notice;

(a) en vertu de l'article 13 de la  
Loi régissant les sociétés par  
actions de régime fédéral  
conformément à l'avis ci-joint;

(b) under Section 27 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment  
designating a series of shares;

(b) en vertu de l'article 27 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes  
désignant une série d'actions;

(c) under Section 177 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment;

(c) en vertu de l'article 177 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes;

(d) under Section 191 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Reorganization;

(d) en vertu de l'article 191 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué  
dans les clauses de réorganisation  
ci-jointes;

(e) under Section 192 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Arrangement.

(e) en vertu de l'article 192 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses d'arrangement ci-jointes.

Le directeur

Director

July 2, 1992/le 2 juillet 1992

Date of Amendment - Date de la modification

CANADA BUSINESS  
CORPORATIONS ACT

LOI SUR LES SOCIÉTÉS  
COMMERCIALES CANADIENNES

FORM 4

FORMULE 4

ARTICLES OF AMENDMENT  
(SECTION 17 or 171)

CLAUSES MODIFICATRICES  
(ARTICLE 27 OU 171)

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1. Name of Corporation	2. Corporation Number
INTERPROVINCIAL PIPE LINE SYSTEM INC./PIPE LINE SYSTEM INTERPROVINCIAL INC.	227602-0

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3. The Articles of the above-named Corporation are amended as follows:

Article 1 of the Articles of Amendment be amended pursuant to Section 173(1)(a) of the Canada Business Corporations Act by changing the name of the corporation from "INTERPROVINCIAL PIPE LINE SYSTEM INC./PIPE LINE SYSTEM INTERPROVINCIAL INC." to "INTERPROVINCIAL PIPE LINE SYSTEM INC./RÉSEAU DE PIPE-LINES INTERPROVINCIAL INC."

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Date:	Signature	Description of Office
June 25, 1992	 Blaine G. Melnyk	Assistant Secretary

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341 2 - 1992



**Certificate of Amendment**

**Certificat de modification**

**Canada Business  
Corporations Act**

**Loi régissant les sociétés  
par actions de régime fédéral**

**INTERPROVINCIAL PIPE LINE SYSTEM INC./  
RÉSEAU DE PIPELINES INTERPROVINCIAL  
INC.**

**227602-0**

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the  
Articles of the above-mentioned  
Corporation were amended

Je certifie par les présentes que  
les statuts de la société  
mentionnée ci-haut ont été modifiés

(a) under Section 13 of the  
Canada Business Corporations  
Act in accordance with the  
attached notice;

(a) en vertu de l'article 13 de la  
Loi régissant les sociétés par  
actions de régime fédéral  
conformément à l'avis ci-joint;

(b) under Section 27 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment  
designating a series of shares;

(b) en vertu de l'article 27 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes  
designant une série d'actions;

(c) under Section 177 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment;

(c) en vertu de l'article 177 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes;

(d) under Section 191 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Reorganization;

(d) en vertu de l'article 191 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué  
dans les clauses de réorganisation  
ci-jointes;

(e) under Section 192 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Arrangement.

(e) en vertu de l'article 192 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses d'arrangement ci-jointes.

Le directeur

Director

August 6, 1992/le 6 août 1992

Date of Amendment - Date de la modification

**CANADA BUSINESS  
CORPORATIONS ACT**

**LOI SUR LES SOCIÉTÉS  
COMMERCIALES CANADIENNES**

**FORM 4**

**FORMULE 4**

**ARTICLES OF AMENDMENT  
(SECTION 27 OR 177)**

**CLAUSES MODIFICATRICES  
(ARTICLE 27 OU 177)**

**1. Name of Corporation**

**2. Corporation Number**

**INTERPROVINCIAL PIPE LINE SYSTEM INC./  
RESEAU DE PIPELINES INTERPROVINCIAL INC.**

**227602-0**

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**3. The Articles of the above-named Corporation are amended as follows:**

Article 5 of the Articles of Continuance dated December 15, 1987, is hereby amended pursuant to Section 173(1)(m) of the Canada Business Corporations Act by deleting Article 5 in its entirety, and adding the following:

"The board of directors shall consist of such number of directors, being a minimum of one (1) director and a maximum of fifteen (15) directors, as may from time to time be determined by resolution of the board of directors."

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<b>Date:</b>	<b>Signature</b>	<b>Description of office</b>
July 30 , 1992		Secretary

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**AUG  
AOUT - 6 1992**



**Certificate of Amendment**

**Certificat de modification**

**Canada Business  
Corporations Act**

**Loi régissant les sociétés  
par actions de régime fédéral**

INTERPROVINCIAL PIPE LINE SYSTEM INC./  
RÉSEAU DE PIPELINES INTERPROVINCIAL INC.

227602-0

Interprovincial Pipe Line Inc.

12059-6

Name of Corporation - Dénomination de la société

Number - Numéro

I hereby certify that the  
Articles of the above-mentioned  
Corporation were amended

Je certifie par les présentes que  
les statuts de la société  
mentionnée ci-haut ont été modifiés

(a) under Section 13 of the  
Canada Business Corporations  
Act in accordance with the  
attached notice;

(a) en vertu de l'article 13 de la  
Loi régissant les sociétés par  
actions de régime fédéral  
conformément à l'avis ci-joint;

(b) under Section 27 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment  
designating a series of shares;

(b) en vertu de l'article 27 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes  
désignant une série d'actions;

(c) under Section 177 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Amendment;

(c) en vertu de l'article 177 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses modificatrices ci-jointes;

(d) under Section 191 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Reorganization;

(d) en vertu de l'article 191 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué  
dans les clauses de réorganisation  
ci-jointes;

(e) under Section 192 of the  
Canada Business Corporations  
Act as set out in the attached  
Articles of Arrangement.

(e) en vertu de l'article 192 de la  
Loi régissant les sociétés par actions  
de régime fédéral tel qu'indiqué dans  
les clauses d'arrangement ci-jointes.

Le directeur

Director

December 18, 1992/le 18 décembre 1992

Date of Amendment - Date de la modification

CANADA BUSINESS  
CORPORATIONS ACT

LOI SUR LES SOCIÉTÉS  
COMMERCIALES CANADIENNES

FORM 14.1

FORMULE 14.1

ARTICLES OF ARRANGEMENT  
(SECTION 192)

CLAUSES D'ARRANGEMENT  
(ARTICLE 192)

1. Name of Corporation

2. Corporation Number

INTERPROVINCIAL PIPE LINE SYSTEM INC./  
RESEAU DE PIPELINES INTERPROVINCIAL INC.

227602-0

Interprovincial Pipe Line Inc.

12059-6

3. In accordance with the order approving the arrangement, the articles of the corporation are amended as follows:

The Articles of Interprovincial Pipe Line System Inc./Reseau de Pipelines Interprovincial Inc. are amended pursuant to Section 192(1)(h) of the Canada Business Corporations Act, in accordance with the Plan of Arrangement annexed hereto as Schedule "A".

Date:	Signature	Description of office
December 15, 1992		Corporate Secretary

DEC 16 1992

**SCHEDULE "A"**

(and Exhibit I to Arrangement Agreement attached hereto)

**PLAN OF ARRANGEMENT UNDER SECTION 192  
OF THE CANADA BUSINESS CORPORATIONS ACT**

**ARTICLE I  
INTERPRETATION**

**1.01 Definitions**

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the following meanings respectively:

"Agreement of Purchase and Sale and Assumption of Certain Obligations" means the agreement entered into between Interprovincial and Parent dated as of March 11, 1992 pursuant to which Interprovincial agreed to sell the Investments to Parent, all in accordance with the terms and conditions therein set out;

"Arrangement" means an arrangement under the provisions of section 192 of the CBCA, on the terms and conditions set forth in this Plan of Arrangement or any amendment or variation hereto made in accordance with section 5.1 of the Arrangement Agreement;

"Arrangement Agreement" means the agreement dated as of March 11, 1992 between Interprovincial and Parent to which this Plan of Arrangement is attached as Exhibit I;

"CBCA" means the Canada Business Corporations Act, R.S.C. 1985, c.-44, as amended;

"Court" means the Court of Queen's Bench for the Province of Alberta;

"Effective Date" means the date shown on the certificate of amendment to be issued by the Director under the CBCA giving effect to the Arrangement;

"Effective Time" means 12:01 a.m. on the Effective Date;

"Final Order" means the final order of the Court approving the Arrangement;

"Instalment Receipt" means a receipt evidencing the Interprovincial Shares purchased pursuant to a final short form prospectus to be dated March 18, 1992

whereby GW Utilities Limited, 755992 Ontario Inc. and a group of underwriters offered 25,184,200 Interprovincial Shares for sale;

"Interim Order" means the interim order of the Court pursuant to the application therefor contemplated by section 3.4 of the Arrangement Agreement;

"Interprovincial" means Interprovincial Pipe Line Inc., a body corporate organized under the CBCA with its head office in Edmonton, Alberta;

"Interprovincial and Parent Promissory Note Set Off Agreement" means the agreement entered into between Interprovincial and Parent dated as of March 11, 1992 pursuant to which each party agreed to set off its indebtedness to the other under certain promissory notes issued in payment of the purchase price for the shares agreed to be purchased for cancellation pursuant to the Interprovincial Common Share Purchase for Cancellation Agreement and the Parent Common Share Purchase for Cancellation Agreement, all in accordance with the terms and conditions set out therein;

"Interprovincial Common Share Purchase for Cancellation Agreement" means the agreement entered into between Interprovincial and Parent dated as of March 11, 1992 pursuant to which Interprovincial agreed to purchase for cancellation from Parent a portion of the Interprovincial Shares owned by Parent, all in accordance with the terms and conditions therein set out;

"Interprovincial Shares" means the common shares in the capital of Interprovincial as constituted immediately before the Effective Date;

"Interprovincial Dissenting Shares" means all Interprovincial Shares which are deemed to have been cancelled for the purposes of this Arrangement on the Effective Date in accordance with the provisions of section 4.01 of this Arrangement;

"Interprovincial Dissenting Shareholders" means the holders of Interprovincial Shares who exercise rights of dissent in accordance with section 4.01 hereof;

"Interprovincial Meeting" means the annual and special meeting of holders of Interprovincial Shares to be

called to consider among other matters, the Arrangement, and any adjournment thereof;

"Investments" has the meaning ascribed thereto in the Agreement of Purchase and Sale and Assumption of Certain Obligations;

"Parent" means Interprovincial Pipe Line System Inc. (formerly 159569 Canada Ltd.), a body corporate organized under the CBCA with its head office in Edmonton, Alberta;

"Parent Common Share Purchase for Cancellation Agreement" means the agreement entered into between Interprovincial and Parent dated as of March 11, 1992 pursuant to which Parent agreed to purchase for cancellation all its outstanding Parent Shares owned by Interprovincial, all in accordance with the terms and conditions therein set out;

"Parent Shares" means the common shares in the capital of Parent, having the attributes set forth in Appendix A hereto;

"Record Date" means April 6, 1992.

#### 1.02 Interpretation

The division of this Plan of Arrangement into articles, sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein" and "hereunder" and similar expressions refer to this Plan of Arrangement, including all schedules and appendices hereto, and not to any particular articles, sections or other portions hereof and include any agreement or instrument supplementary or ancillary hereto.

#### 1.03 Numbers, et cetera

Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa; words importing the use of any gender shall include all genders; and words importing persons shall include firms, corporations, trusts and partnerships.

1.04 Appendices

The appendices to this Plan of Arrangement are as follows:

- A - Parent Share Attributes
- B - Parent General By-Law No. 1

ARTICLE II  
ARRANGEMENT AGREEMENT

2.01 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.

ARTICLE III  
THE ARRANGEMENT

3.01 The Arrangement

(a) At the Effective Time, subject to the provisions of Article IV hereof, the following shall occur and shall be deemed to occur in the following order without any further act or formality:

Sale of Investments

- (1) Interprovincial will sell the Investments to Parent in return for Parent issuing additional Parent Shares to Interprovincial, all in accordance with the terms and conditions set out in the Agreement of Purchase and Sale and Assumption of Certain Obligations;

Cancellation of Issued Parent  
Shares Owned by Interprovincial

- (ii) The following will occur contemporaneously with each other:
  - (A) The holders of Interprovincial Shares, other than the Interprovincial Dissenting Shareholders, will exchange their Interprovincial Shares for an equal number of

Parent Shares to be issued from Parent's treasury; and

- (B) All of the Parent Shares owned by Interprovincial, including those issued to Interprovincial as described in paragraph (i) above, will be cancelled in accordance with the terms and conditions set out in the Parent Common Share Purchase for Cancellation Agreement;

Purchase for Cancellation of  
Certain Interprovincial Shares

- (iii) Immediately following the Effective Date of the Plan of Arrangement, Interprovincial will purchase for cancellation such portion of the outstanding Interprovincial Shares as is contemplated by the Interprovincial Common Share Purchase for Cancellation Agreement, on the terms and conditions therein set out.

Set Off of Intercompany Indebtedness

- (iv) In consequence of the purchases for cancellation described in paragraphs (ii)(B) and (iii) hereof, the transactions and events contemplated by the Interprovincial and Parent Promissory Note Set Off Agreements will be completed;

Interprovincial Stock Options

- (v) Each holder of Interprovincial Stock Options (an "Optionee") will transfer them to Parent in exchange for an option or options ("Parent Stock Options") to acquire a number of Parent Shares equal to the number of Interprovincial Shares that the Optionee is entitled to acquire under his corresponding Interprovincial Stock Options immediately before the Effective Date, after which all of the Optionee's Interprovincial Stock Options will be cancelled. The exercise price under each Parent Stock Option will be determined such that:
  - (A) the amount by which the total value of the Parent Shares that an Optionee is entitled to acquire under his Parent Stock Options immediately after the Arrangement becomes

effective exceeds the total amount payable by the Optionee to acquire such shares of Parent will not exceed

- (B) the amount by which the total value of the shares of Interprovincial that the Optionee is entitled to acquire under his Interprovincial Stock Options immediately before the Arrangement becomes effective exceeds the amount payable by the Optionee to acquire such shares of Interprovincial.

**ARTICLE IV  
RIGHTS OF DISSENT**

**4.01 Rights of Dissent of Interprovincial Shareholders and Instalment Receipt Holders**

Holder of Interprovincial Shares or Instalment Receipts, as the case may be, may exercise rights of dissent in connection with the Arrangement in the manner set out in section 190 of the CBCA (as modified by the Interim Order, the Final Order and this section 4.01). Holders of Interprovincial Shares or Instalment Receipts, as the case may be, who:

- (a) are ultimately entitled to be paid by Interprovincial the fair value for their Interprovincial Shares shall be deemed to have transferred their Interprovincial Shares to Interprovincial for cancellation on the Effective Date; or
- (b) are ultimately not entitled to be paid fair value, for any reason, for their Interprovincial Shares, shall be deemed to have participated in the Arrangement on the same basis as any non-dissenting holder of Interprovincial Shares as at and from the Effective Date and shall receive Parent Shares on the basis set forth in section 3.01 of this Plan of Arrangement;

but in no case shall Interprovincial be required to recognize such persons as holding Interprovincial Shares on and after the Effective Date.

**ARTICLE V  
CERTIFICATES**

**5.01        Share Certificates**

On the Effective Date, the existing certificates for Interprovincial Shares will be deemed for all purposes to represent the corresponding number of Shares of Parent. As soon as practical following the Effective Date, Parent shall cause to be delivered to its transfer agent share certificates representing Parent Shares which holders of Interprovincial Shares are entitled to receive upon presentation of their Interprovincial Share certificates for cancellation following the Arrangement, and Parent's transfer agent shall deliver the certificate for such Parent Shares to such holders on the basis of one Parent Share for each Interprovincial Share owned by such holder on the Record Date.

**5.02        Delivery of Share Certificates**

From and after the Effective Time, each share certificate representing a given number of Interprovincial Shares which was outstanding prior to the Effective Time (other than Interprovincial Dissenting Shares) shall represent the same number of Parent Shares and the right of the registered holder as of the close of business on the Record Date to receive certificates representing the number of Parent Shares represented by such certificate.

**5.03        Use of Postal Services**

Any share certificate which any person is entitled to receive in accordance with the provisions of this Plan of Arrangement shall be forwarded by first class mail, postage prepaid or, in the case of postal disruption in Canada, by such other means as Parent's transfer agent may deem prudent, to the persons and at the addresses specified in the share register of Parent.

## Appendix A

### Parent Share Attributes

Parent is authorized to issue:

- (a) an unlimited number of common shares without nominal or par value, the holders of which shall be entitled:
  - (i) to vote at all meetings of the shareholders, except at meetings at which only holders of a specified class or series are entitled to vote, and to have one vote for each common share held;
  - (ii) to receive any dividend declared by Parent on common shares and, subject to the rights, privileges, restrictions and conditions attaching to any preference shares of the Parent, to receive the remaining property of Parent upon dissolution; and
  - (iii) subject to the provisions of the Canada Business Corporations Act, the board of directors in declaring at any time a dividend on common shares may provide for the payment of such dividend in the form of a stock dividend to the holders of such shares who, prior to the date of declaration, have elected to receive stock dividends in lieu of any cash dividends. A stock dividend shall be payable in fully paid and non-assessable common shares and shall have a value per share, as determined by the board, that is substantially equivalent as of a specified date or period of days to the cash amount per share payable to the holders not so electing. The holders so electing shall receive cash in lieu of any fractional interests in shares to which they would otherwise be entitled unless the board shall determine to distribute fractional interests. Notwithstanding the foregoing, the board, if in its opinion it would be in the best interests of the Parent, may exclude from the right to elect to receive stock dividends any holders whose addresses on the securities register of Parent are in specified jurisdictions outside Canada or who are residents of or subject to the laws of specified jurisdictions outside Canada.

## Appendix B

### GENERAL BY-LAW NO. 1

#### A BY-LAW TO REGULATE THE BUSINESS AND AFFAIRS OF THE CORPORATION

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

##### INTERPRETATION

1. In this by-law unless the context otherwise requires, words importing the singular number only shall include the plural, the masculine gender shall include the feminine and neuter genders and vice versa; words importing persons shall include an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, and any number or aggregate of persons. Terms used in this by-law that are defined in the Canada Business Corporations Act shall have the meanings given to those terms in that Act.

##### REGISTERED OFFICE

2. The registered office of the Corporation shall be at such place in the City of Edmonton, in the Province of Alberta, as the board of directors may from time to time by resolution determine.

##### CORPORATE SEAL

3. The corporate seal of the Corporation shall be in such form as the board of directors may from time to time determine.

##### MEETINGS OF SHAREHOLDERS

4. **Annual Meeting.** An annual meeting of shareholders of the Corporation shall be held at such place in Canada and at such time in each year as the board of directors may from time to time by resolution determine for the purpose of: hearing and receiving the reports and statements required by the Canada Business Corporations Act to be brought before the annual meeting; electing directors; appointing auditors and authorizing the board to fix the remuneration of such auditors; and for the transaction of such other business as may properly be brought before the meeting.

5. **Special Meetings.** Special meetings of shareholders of the Corporation may be called by the board of directors at any time to be held at such place in Canada as the board may by resolution determine for the transaction of such business as its specified in the notice of meeting. A special meeting of shareholders may also be called on the requisition of the shareholders as provided by the Canada Business Corporations Act.

6. **Notice of Meeting.** Notice of the time and place of each meeting of shareholders shall be given by sending the notice to each shareholder entitled to vote at the meeting by prepaid mail, not less than twenty-one (21) nor more than fifty (50) days before the date of the meeting, to his latest address as shown on the securities register of the Corporation.

7. **Record Date for Notice of Meeting.** The board of directors may by resolution fix a record date for determining the shareholders who will be entitled to receive notice of a meeting of shareholders which date shall not be less than twenty-one (21) days nor more than fifty (50) days before the date of such meeting. Notice of such record date shall be given in accordance with the requirements of the Canada Business Corporations Act.

8. **Chairman and Secretary.**

- (a) The chairman of the board of directors, if any, or in his absence, the president, or in their absence, a director of the Corporation, shall be chairman of any meeting of shareholders. If none of the said officers or directors be present within fifteen (15) minutes after the time fixed for holding the meeting, the shareholders present in person or by proxy and entitled to vote shall choose one of the shareholders present in person to be chairman.

- (b) The secretary, or in his absence, an assistant secretary of the Corporation, shall be secretary of any meeting of shareholders. In their absence, the chairman shall appoint some person who need not be a shareholder to act as secretary of the meeting.

9. **Scrutineers.** At any meeting of shareholders, the chairman with the consent of the meeting or the shareholders by resolution may appoint one or more scrutineers, who need not be shareholders, to report on the number of shares represented at the meeting in person and by proxy, conduct polls, distribute and count ballots, and prepare certificates as to the result of any vote. No candidate for the office of director shall be appointed a scrutineer at any meeting at which directors are to be elected.

10. **Persons Entitled to be Present.** The only persons entitled to attend a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation, and others who, although not entitled to vote, are entitled by law to be present. Any other person may be admitted with the consent of the meeting or on the invitation of the board of directors or of the chairman of the meeting.

11. **Quorum.** Three persons present and entitled to vote shall constitute a quorum for the transaction of business at any meeting of shareholders. In the absence of a quorum for the transaction of business at any such meeting or any adjournment or adjournments thereof, those present and entitled to vote shall constitute a quorum for the purpose of adjourning such meeting.

12. **Right to Vote.** At any meeting of shareholders every shareholder shall, subject to the provisions of the articles and the Canada Business Corporations Act, be entitled to vote who is the holder of one or more shares carrying the right to vote at such meeting.

13. **Personal Representatives.** If a shareholder of record of the Corporation is deceased, his personal representative, upon filing with the secretary of the Corporation, at least forty-eight (48) hours prior to the time of holding the meeting, proof of his appointment satisfactory to the secretary shall be entitled to exercise the same voting rights at any meeting of shareholders as the shareholder of record would have been entitled to exercise if he were living and for the purpose of the meeting shall be considered a shareholder. If there be more than one personal representative, the provisions of this by-law respecting joint shareholders shall apply as if such personal representatives were joint shareholders.

14. **Proxies.**

- (a) A shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who are not required to be shareholders, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy.

- (b) The directors may specify in a notice calling a meeting of shareholders a time not exceeding forty-eight (48) hours, excluding Saturdays and holidays, preceding the meeting or an adjournment thereof before which time proxies to be used at the meeting must be deposited with the Corporation or its agent.

15. **Votes to Govern.** At any meeting of shareholders all questions proposed for the consideration of the shareholders shall, unless otherwise required by the articles or by-laws or by law, be determined by the majority of the votes duly cast on the question, and the chairman presiding at such meeting shall be entitled to a second or casting vote in the case of an equality of votes, either upon a show of hands or upon a poll.

16. **Show of Hands.** Subject to the provisions of the Canada Business Corporations Act any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands, every person who is present and entitled to vote shall have one vote. Unless a ballot be so required or demanded, a declaration by the chairman of the meeting that a matter has been carried, carried by a particular majority, or not carried, and an entry made to that effect in the minutes of the proceedings at the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such matter.

17. **Ballots.**

- (a) On any question proposed for consideration at a meeting of shareholders, the chairman may require or any shareholder present in person or by proxy and entitled to vote may demand, a ballot either before or after any vote by a show of hands. A ballot so required or demanded shall be taken in such manner

as the chairman of the meeting shall direct. A requirement or a demand for a ballot may be withdrawn at any time prior to the taking of the ballot with the consent of the meeting.

- (b) Subject to the provisions of the articles, upon a ballot each shareholder present in person or represented by proxy shall be entitled to one vote for each share in respect of which he is entitled to vote at the meeting, and the result of the ballot shall be the decision of the meeting. The requirement of or demand for a ballot shall not prevent the continuation of the meeting for the transaction of any business other than that on which such ballot has been required or demanded.

**18. Joint Shareholders.** If shares are held jointly by two or more persons, any one of them present in person or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote thereon; but in case more than one of them be present in person or represented by proxy they shall vote together on the shares jointly held.

**19. Adjournment.** The chairman of any meeting of shareholders may, with the consent of the meeting, and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If the meeting of shareholders is adjourned for less than thirty (30) days it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the meeting that it is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given as for an original meeting, in accordance with the provisions of the Canada Business Corporations Act.

## DIRECTORS

**20. Directors.** The board of directors shall consist of such number of directors as shall be set out in the articles. Four (4) directors shall constitute a quorum for the transaction of business at any meeting of the board.

**21. Qualification.** Subject to the provisions of the Canada Business Corporations Act, any person may be elected a director of the Corporation if he, or any other body corporate of which he is an officer or director, is the holder of fully paid shares in the capital stock of the Corporation. A majority of the directors of the Corporation shall be resident Canadians and directors shall not transact business at a meeting of directors unless a majority of the directors present are resident Canadians.

**22. Election and Term.** Directors of the Corporation shall be elected at the annual meeting of shareholders or at a special meeting of shareholders called for such purpose and shall hold office until the close of the next annual meeting of shareholders or until their successors are elected. If an election of directors is not held at the proper time, the directors shall continue in office until their successors are elected.

**23. Removal from Office.** The shareholders may, subject to the provisions of the Canada Business Corporations Act, with or without cause, remove any director from office at any time by a resolution passed at a special meeting of shareholders called for that purpose, and at any such meeting may elect any qualified person to fill the vacancy so caused.

**24. Vacancies.** Subject to the Canada Business Corporations Act, vacancies in the board of directors may be filled for the remainder of its term of office from among persons qualified for election by the remaining directors if constituting a quorum; otherwise such vacancies shall be filled at the next annual meeting of shareholders at which directors for the ensuing year are to be elected or at a special meeting of shareholders called for that purpose. If at any time the directors in office do not constitute a quorum the remaining director or directors shall forthwith call a special meeting of shareholders to fill such vacancies in the board.

**25. Calling of Meetings.** Meetings of the board of directors shall be held from time to time at such place, at such time, and on such day as the chairman of the board, or the president, or a vice-president who is a director, or any two directors may determine, and the secretary shall call meetings when so authorized and directed.

**26. Notice of Meetings.**

- (a) Notice of the time and place of each meeting of the board of directors shall be given to each director not less than two (2) days before the day on which the meeting is to be held; provided that a meeting may be held without formal notice if all the directors are present or if those absent waive formal notice. A notice of a meeting of directors need not specify the purpose of the business to be transacted at the meeting except where the Canada Business Corporations Act requires such purpose to be specified.

- (b) Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.
- (c) The board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the board fixing the place and time of regular meetings of the board shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Canada Business Corporations Act requires the purpose of the business to be transacted thereat to be specified.

27. **Chairman.** The chairman of the board of directors, if any, or in his absence, the president, or in their absence, a vice-president who is a director, shall be chairman of any meeting of directors, and if none of the said officers be present, the directors present shall choose one of their number to be chairman.

28. **Votes to Govern.** At all meetings of the board of directors every question shall be decided by a majority of the votes cast on the question, and in the case of an equality of votes, the chairman of the meeting shall be entitled to a second or casting vote.

29. **Remuneration of Directors.**

(a) The directors of the Corporation shall be paid such remuneration as the board of directors may by resolution from time to time determine. Unless the board otherwise directs, such remuneration shall be in addition to the salary paid to any officer or employee of the Corporation who is also a member of the board of directors.

(b) The board may also by resolution award special remuneration to any director undertaking any special work or service on the Corporation's behalf outside the work or services ordinarily required of a director of the Corporation. The directors shall also be reimbursed for their travelling and other expenses properly incurred by them in connection with the business and affairs of the Corporation.

30. **Interest of Directors or Officers in Contracts.** A director or officer who is party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided by the Canada Business Corporations Act and shall not vote on any resolution to approve the same except as provided by the Act.

31. **Audit Committee.** The board of directors shall elect annually from among its number an audit committee to be composed of not fewer than three (3) directors none of whom shall be officers or employees of the Corporation or any of its affiliates. The audit committee shall have the powers and duties provided in the Canada Business Corporations Act and such further powers and duties as may be specified by the board.

32. **Protection of Directors, Officers and Others.** Subject to the Canada Business Corporations Act, every director and officer of the Corporation in exercising his powers and discharging his duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto.

33. **Indemnity of Directors, Officers and Others.** Subject to the limitations contained in the Act but without limit to the right of the Corporation to indemnify as provided for in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of any such body corporate), and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to

which he is made a party by reason of being or having been a director or officer of the Corporation or such body corporate (or by reason of undertaking or having undertaken such liability), if:

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

34. **Insurance.** The Corporation may purchase and maintain insurance for the benefit of any person referred to in clause 33 against such liabilities and in such amounts as the board may from time to time determine and are permitted by the Canada Business Corporations act.

#### OFFICERS

35. **Election of Officers.** The board of directors shall elect from among themselves a president and, if they see fit, a chairman of the board. The board may also elect one or more vice-presidents who need not be directors.

36. **Appointment of Other Officers.** The board of directors shall from time to time appoint a secretary and a treasurer, and may appoint a controller, one or more assistant secretaries, one or more assistant treasurers, and such other officers, agents and servants as the board may from time to time determine.

37. **Term of Office and Remuneration.** The terms of employment and the remuneration of all officers elected or appointed by the board shall be determined from time to time by the board of directors. All officers, in the absence of agreements to the contrary, shall be subject to removal by the board at any time, with or without cause, provided that a majority of the board shall vote in favour thereof.

38. **Delegation of Duties.** In case of the absence or inability to act of any officer of the Corporation, or for any reason the board of directors may deem sufficient, the board may delegate all or any of the powers or duties or both of such officer to any other officer or to any director for the time being.

39. **Duties of Chairman of the Board.** The chairman of the board, if any, shall have such powers and discharge such duties as are from time to time conferred on him by the board of directors. The chairman of the board shall, if the board so determines, be the chief executive officer of the Corporation charged with the general management and direction of the business and affairs of the Corporation. In the absence or inability or refusal of the president to act, the chairman of the board, if any, and if directed to do so by the board, shall exercise all the powers and perform all the duties of the president.

40. **Duties of President.** Unless the board of directors otherwise determines under clause 39 hereof, the president shall be the chief executive officer of the Corporation and shall be charged with the general management and direction of the business and affairs of the Corporation. He shall have such other powers and perform such other duties as may from time to time be conferred on him by the board.

41. **Duties of Vice-President.** The vice-president, or if there be more than one vice-president, the vice-presidents, shall exercise such powers and perform such duties as may from time to time be assigned by the board of directors. In the absence or inability or refusal of the president to act, and in the absence of a direction by the board under clause 39 hereof, the vice-president, or if there be more than one vice-president, the vice-president designated by the board of directors for that purpose, shall exercise all the powers and perform all the duties of the president.

42. **Duties of Secretary.** The secretary shall give, or cause to be given, as and when instructed, all notices required to be given to shareholders, directors, officers, auditors and members of committees; he shall attend and be the secretary of all meetings of the board of directors and shareholders and shall enter or cause to be entered in records kept for that purpose minutes, of all proceedings at such meetings; he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and other instruments belonging to the Corporation except when some other officer or agent has been appointed for that purpose; and he shall perform such other duties which usually pertain to his office or which may from time to time be prescribed by the board or be required by law.

43. **Duties of Treasurer.** Under the direction of the board of directors, the treasurer shall have charge of the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation. Whenever required of him, he shall render to the board an account of all his transactions as treasurer and of the financial position of the Corporation, and he shall perform such other duties as may from time to time be prescribed by the board.

44. **Duties of Controller.** Under the direction of the board of directors, the controller, if any, shall have charge of the accounting operations of the Corporation and keep proper accounting records in compliance with the Canada Business Corporations Act in which shall be recorded all receipts and disbursements of the Corporation. Whenever required of him, he shall render to the board an account of all his transactions as controller, and he shall perform such other duties as may from time to time be prescribed by the board.

45. **Duties of Other Officers.** The assistant secretary, if any, and the assistant treasurer, if any, shall respectively perform all the duties of the secretary and treasurer respectively in the absence or disability of the secretary or treasurer as the case may be. The assistant secretary and assistant treasurer shall also have such other powers and duties as may from time to time be assigned to them respectively by the board of directors. The duties and powers of all other officers of the Corporation shall be such as the terms of their engagement call for or the board by resolution determines.

46. **General Manager.** The board of directors may appoint a general manager and may delegate to him the responsibility and authority for the general management of the operations of the Corporation, subject always to the authority of the board and to the supervision and direction of the president (except such matters and duties as by law must be transacted or performed by the board or by the shareholders in general meeting). He shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Corporation.

47. **Agents and Attorneys.** The board of directors may from time to time by resolution appoint agents or attorneys for the Corporation in or out of Canada for such purposes and with such authority and power (including the power to subdelegate) as may be thought fit.

## SHARES

48. **Issuance.** Subject to the provisions of the Canada Business Corporations Act, the board of directors may issue shares of the Corporation at such times and to such persons and for such considerations as the board shall determine.

49. **Share Certificates.** Every shareholder of the Corporation shall be entitled to a share certificate, stating the number and class of shares held by him in such form as the board of directors shall from time to time approve. Unless otherwise ordered by the board, share certificates shall be signed by the proper signing officers of the Corporation and need not be under the corporate seal. A share certificate executed as aforesaid shall be valid notwithstanding that any one or more of the officers whose facsimile signatures appear thereon no longer hold office at the date of issue of the certificate.

50. **Replacement of Share Certificate.**

- (a) If any share certificate be worn out or defaced, upon surrender thereof the board of directors may order the same to be cancelled, and upon the fulfilment of such conditions as the board may determine, issue a new certificate in lieu thereof.
- (b) In case of the loss, theft, or destruction of a certificate for shares held by a shareholder, the fact of such loss, theft, or destruction shall be reported by such shareholder or his agent or personal representative to the Corporation or the transfer agent, if any, with a statement verified by oath or statutory declaration as to the loss, theft, or destruction and the circumstances concerning the same and with a request for the issuance of a new certificate to replace the one so lost, stolen, or destroyed. Upon the giving to the Corporation (or if there be a transfer agent and registrar then to the Corporation and such transfer agent and registrar) of a bond of a surety company licensed to do business in the jurisdiction in which the bond is to be written, or other security approved by the board and in such form as is approved by resolution of the board, indemnifying the Corporation (and its transfer agent and registrar, if any) against all loss, damage or expense to which the Corporation and/or the transfer agent and registrar may be put or be liable by reason of the issuance of a new certificate to such shareholder, a new certificate may be issued in replacement of the one lost, stolen, or destroyed if such issuance is ordered by any officer of the Corporation duly authorized to do so by the board.

**51. Transfer and Registration.**

- (a) The board of directors may from time to time appoint such transfer agent or transfer agents and registrar or registrars as may be required to maintain, in respect of the securities of the Corporation issued by it in registered form, a central securities register and one or more branch securities registers. The board may provide for and establish the duties, responsibilities and compensation of any such transfer agent or registrar and/or may delegate to the officers of the Corporation which it shall designate the power to make on behalf of the Corporation any necessary agreements with any such transfer agent or registrar with regard to the foregoing matters.
- (b) Subject to the provisions of the Canada Business Corporations Act, no transfer of securities shall be registered in a securities register except upon presentation of the certificate representing such securities with an endorsement, which complies with the Act, made thereon or delivered therewith duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the board, and upon compliance with such restrictions on transfer as are authorized by the articles. The transfer may, however, be made in case of a lost, stolen, or destroyed certificate, as provided in these by-laws. No director shall be liable to the Corporation for any loss which may be sustained in the case where a transfer shall have been procured by forgery or mistake.

**EXECUTION OF INSTRUMENTS**

52. All cheques, bills, notes, acceptances and orders for the payment of money to be signed, drawn, accepted or endorsed by or on behalf of the Corporation shall be signed, drawn, accepted or endorsed by such person or persons and in such manner as the board of directors may from time to time by resolution provide.

53. All contracts, deeds and other documents and instruments required to be executed by the Corporation, whether under the corporate seal or not, may be signed by and on behalf of the Corporation by the chairman of the board, or the president, or a vice-president, or a director, together with the secretary, or an assistant secretary, or another director, or by any other person or persons that the board of directors may from time to time by resolution designate.

54. Copies of by-laws, resolutions and other proceedings of the board or shareholders of the Corporation may be certified under the corporate seal of the Corporation by the secretary or an assistant secretary or by any other officer of the Corporation so appointed by resolution of the board.

**FINANCIAL**

55. **Financial Year.** The financial year of the Corporation shall end on the 31st day of December in each year or on such other day in each year as the board of directors may by resolution determine.

**56. Borrowing of Money.**

- (a) Without limiting the borrowing powers of the Corporation as set forth in the Canada Business Corporations Act, the board of directors may from time to time:
  - (i) borrow money upon the credit of the Corporation;
  - (ii) issue, reissue, sell or pledge bonds, debentures, notes or other evidence of indebtedness or guarantee of the Corporation, whether secured or unsecured;
  - (iii) subject to the provisions of the Canada Business Corporations Act, give a guarantee on behalf of the Corporation to secure performance of any obligation of any person; and
  - (iv) mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable property of the Corporation to secure any obligation of the Corporation.
- (b) The board may from time to time by resolution delegate all or any of the above mentioned powers to one or more officers or directors of the Corporation to the extent and in such manner as the board shall determine at the time of each such delegation.

57. **Banking Arrangements.** The banking business of the Corporation, or any part thereof, shall be transacted with such banks, trust companies or other firms or corporations carrying on a banking business as the board of directors may from time to time designate, appoint or authorize by resolution. All such banking business, or any part thereof, shall be transacted on the Corporation's behalf by such one or more officers and/or other persons as the board may from time to time designate, direct or authorize by resolution and to the extent therein provided, including the operation of the Corporation's accounts; the making, signing, drawing, accepting, endorsing, negotiating, lodging, depositing, or transferring of cheques, promissory notes, drafts, acceptances, bills of exchange or orders for the payment of money; the giving of receipts for and orders relating to any property of the Corporation; the execution of any agreement relating to any such banking business and defining the rights and powers of the parties thereto; and the authorizing of any officer of such banker to do any act or thing on the Corporation's behalf to facilitate such banking business.

58. **Dividends.**

- (a) **Declaration.** Subject to the provisions of the Canada Business Corporations Act, the board of directors may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.
- (b) **Payment.** A dividend payable in cash shall be paid by cheque drawn on the Corporation's bankers or one or more of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder otherwise in writing directs. In the case of joint holders the cheques shall, unless such joint holders otherwise in writing direct, be made payable to the order of all such joint holders, and if more than one address is recorded on the Corporation's securities register in respect of such joint holding, the cheque shall be mailed to the first address so recorded. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.
- (c) **Non-receipt of Cheques.** In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation may issue to such person a replacement cheque for a like amount upon such terms as to indemnity and evidence of non-receipt as the board may from time to time prescribe, whether generally or in any particular case.
- (d) **Record Date.** The board may fix in advance a date, preceding by not more than fifty (50) days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven (7) days before such record date in the manner provided by the Canada Business Corporations Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board. Only such persons as shall be shareholders of record at the close of business on the date so fixed shall be entitled to receive payment of such dividend or exercise the right to subscribe for securities of the Corporation notwithstanding the transfer of any share after any such record date fixed as aforesaid.

59. **Method of Giving Notices.**

- (a) Any notice, communication or document to be given by the Corporation pursuant to the Canada Business Corporations Act, the articles, the by-laws or otherwise, to a shareholder, director, officer, auditor or member of a committee of the board of the Corporation, shall be sufficiently given if delivered personally to the person to whom it is to be given, or if delivered to his recorded address, or if mailed by prepaid mail addressed to him at his recorded address, or if sent to him at such address by any other means of written communication. In addition to the foregoing, any such notice, communication or document required to be given may be given to a director, officer, auditor or member of a committee of the board of the Corporation by delivering the same to his place of business.

The secretary may change the address of any shareholder as recorded in the securities register of the Corporation in accordance with any information believed by him to be reliable.

- (b) In the event that it is impossible or impractical for any reason whatsoever to give notice as aforesaid, notice may be given by an advertisement published once in a newspaper in such cities or places as the board of directors shall from time to time determine.
- (c) If any notice given to a shareholder pursuant to clause 59(a) is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he informs the Corporation in writing of his new address.

60. **Notice to Joint Shareholders.** All notices with respect to any share registered in more than one name may, if more than one address is recorded in the securities register of the Corporation in respect of such joint holding, be given to such joint shareholders at the first address so recorded and notice so given shall be sufficient notice to all the holders of any such shares.

61. **Computation of Time.** Except as otherwise provided by the Canada Business Corporations Act, in computing the date when notice must be given under any provision of the articles or by-laws requiring a specified number of days notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

62. **Omissions and Errors.** The accidental omission to give due notice to any shareholder, director, officer, auditor or member of a committee of the board of directors, or the non-receipt of any notice by such person, or any error in any notice not materially affecting the substance thereof, shall not invalidate any action taken pursuant to such notice or otherwise founded thereon.

63. **Persons Entitled by Death or Operation of Law.** Every person who by operation of law, transfer, death or by any other means whatsoever shall become entitled to any share of the Corporation, shall be bound by every notice in respect of such share which shall have been duly given to the person from whom he derives his title to such share prior to his name and address being entered on the securities register of the Corporation, whether it be before or after the happening of the event upon which he became so entitled, and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Canada Business Corporations Act.

64. **Waiver of Notice.** Any shareholder (or his duly appointed proxyholder), director, officer, auditor or member of a committee of the board of directors may at any time waive any notice, or waive and abridge the time for any notice, required to be given to him under any provision of the Canada Business Corporations Act, the articles, the by-laws or otherwise, and such waiver or abridgment, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be.

## GENERAL

65. Subject to the provisions of the Canada Business Corporations Act, the board may from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts and books of the Corporation or any of them shall be opened to the inspection of shareholders, and no shareholder shall have any right of inspecting any account or book or document of the Corporation except as conferred by statute or authorized by the board or by a resolution of the shareholders.

66. No shareholder shall be entitled to any information respecting any details or conduct of the Corporation's business which in the opinion of the board of directors it would be inexpedient in the interests of the shareholders of the Corporation to communicate to the public.

67. All by-laws of the Corporation heretofore enacted are repealed from and after the coming into force of this by-law designated "General By-Law No. 1", provided, however, that such repeal shall not affect the validity of any act done or approval given under, or the validity and continuance of, any resolution, appointment, contract, plan or payment made pursuant to any by-law so repealed.

68. **Effective Date.** This "General By-Law No.1" shall come into force on the date shown in the Certificate of Amendment issued in conjunction with the filing of the Articles of Arrangement of Interprovincial Pipe Line Inc. pursuant to the provisions of the Canada Business Corporations Act.

## ARRANGEMENT AGREEMENT

MEMORANDUM OF AGREEMENT made as of the 11 day of March, 1992.

AMONG:

**INTERPROVINCIAL PIPE LINE INC.**, a corporation subject to the Canada Business Corporations Act (hereinafter referred to as "Interprovincial")

OF THE FIRST PART

- and -

**159569 CANADA LTD.**, a corporation subject to the Canada Business Corporations Act (hereinafter referred to as "Parent")

OF THE SECOND PART

**WHEREAS** Interprovincial intends to propose to its shareholders the Arrangement;

**AND WHEREAS** Parent is a subsidiary of Interprovincial;

**AND WHEREAS** the parties hereto wish to record their agreements with regard to the Arrangement and Plan of Arrangement;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that, in consideration of the premises and the respective covenants and agreements herein contained, the parties hereto covenant and agree as follows:

### ARTICLE I

#### INTERPRETATION

##### 1.1 Definitions

In this Agreement including the recitals hereto, unless there is something in the subject matter or context inconsistent therewith, words and terms used but not defined herein shall have

the definitions given thereto in the Interprovincial Proxy Circular and, in addition, the following terms shall have the following meanings respectively:

"Agreement of Purchase and Sale and Assumption of Certain Obligations" means the agreement entered into between the parties hereto dated as of March 11, 1992 pursuant to which Interprovincial agreed to sell the Investments to Parent, all in accordance with the terms and conditions therein set out;

"Arrangement" means the arrangement under the provisions of section 192 of the CBCA, on the terms and conditions set forth in the Plan of Arrangement or any amendment or variations thereto made in accordance with section 5.1 of this Agreement;

"Business Day" means any day, other than a Saturday or a Sunday, when Canadian chartered banks are open for business in the cities of Calgary and Toronto;

"CBCA" means the Canada Business Corporations Act, R.S.C. 1985, c. C-44, as amended;

"control" means, with respect to control of a corporation by a person, the holding (other than by way of security only) by or for the benefit of that person of securities of the corporation to which are attached more than 50% of the votes that may be cast to elect directors of the corporation, provided that the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the corporation;

"Court" means the Court of Queen's Bench for the Province of Alberta;

"Effective Date" means the date shown on the certificate of amendment to be issued by the Director under the CBCA giving effect to the Arrangement;

"Final Order" means the final order of the Court approving the Arrangement;

"Instalment Receipt" means a receipt evidencing the Interprovincial Shares purchased pursuant to a final short form prospectus to be dated March 18, 1992 whereby GW Utilities Limited, 755992 Ontario Inc. and a group of underwriters offered 25,184,200 Interprovincial Shares for sale;

"Instalment Receipt and Security Agreement" means the agreement to be dated

March 31, 1992 among GW Utilities Limited, 755992 Ontario Inc., Interprovincial, a group of underwriters, purchasers under the Instalment Receipt and Security Agreement, The Royal Trust Company and 2793083 Canada Inc. relating to the Instalment Receipts;

"Interprovincial" means Interprovincial Pipe Line Inc., a body corporate organized under the CBCA with its head office in Edmonton, Alberta;

"Interprovincial and Parent Promissory Note Set Off Agreement" means the agreement between the parties hereto dated as of March 11, 1992 pursuant to which each party agreed to set off its indebtedness to the other under certain promissory notes issued in payment of the purchase price for the shares agreed to be purchased for cancellation pursuant to the Interprovincial Common Share Purchase for Cancellation Agreement and the Parent Common Share Purchase for Cancellation Agreement, all in accordance with the terms and conditions therein set out;

"Interprovincial Common Share Purchase for Cancellation Agreement" means the agreement entered into between the parties hereto dated as of March 11, 1992 pursuant to which Interprovincial agreed to purchase for cancellation from Parent a portion of the Interprovincial Shares owned by Parent, all in accordance with the terms and conditions therein set out;

"Interprovincial Shares" means the common shares in the capital of Interprovincial as constituted prior to the Effective Date;

"Interprovincial Dissenting Shares" has the meaning ascribed thereto in the Plan of Arrangement;

"Interprovincial Meeting" means the annual and special meeting of holders of Interprovincial Shares to be held to consider, among other matters, the Arrangement, and any adjournment thereof;

"Interprovincial Proxy Circular" means the definitive form, together with any amendments thereto, of the management information circular of Interprovincial to be prepared and sent to the holders of Interprovincial Shares and Instalment Receipts in connection with the Interprovincial Meeting;

"Interim Order" means the order of the Court made pursuant to the petition therefor contemplated by section 3.4 hereof;

"ITA" means the Income Tax Act, S.C. 1970-71-72, c.63, as amended;

"Parent" means 159569 Canada Ltd., a body corporate organized under the CBCA with its head office in Edmonton, Alberta (which will change its name to Interprovincial Pipe Line System Inc.);

"Parent Common Share Purchase for Cancellation Agreement" means the agreement between the parties hereto dated as of March 11, 1992 pursuant to which Parent agreed to purchase for cancellation all its outstanding Parent Shares owned by Interprovincial, all in accordance with the terms and conditions thereof;

"Parent Shares" means the common shares in the capital of Parent, having the attributes set forth in Appendix A to Exhibit I hereto;

"Plan of Arrangement" means the plan of arrangement which is annexed as Exhibit I hereto and any amendment or variation thereto made in accordance with section 5.1 hereof;

"subsidiary" means, when used to indicate a relationship with another corporation, (i) a corporation which is controlled by (A) that other, or (B) that other and one or more companies, each of which is controlled by that other, or (C) two or more companies, each of which is controlled by that other or (ii) a subsidiary of a company that is that other's subsidiary;

"Tax Rulings" means, in the event an advance income tax ruling is obtained from the Internal Revenue Service relating to the Arrangement and the other transactions contemplated by the Arrangement Agreement prior to the filing of articles of arrangement with the Director appointed under the CBCA, the advance income tax rulings from Revenue Canada, Taxation and the Internal Revenue Service relating to the Arrangement and the other transactions contemplated by the Arrangement Agreement or, in the event an advance income tax ruling has not been obtained from the Internal Revenue Service relating to the Arrangement and the other transactions contemplated by the Arrangement Agreement immediately prior to filing articles of arrangement with the Director appointed under the CBCA, the advance income tax rulings from Revenue Canada, Taxation;

## **1.2 Interpretation Not Affected by Headings**

The division of this Agreement into articles, sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or

interpretation of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement (including the exhibit hereto) and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

### **1.3 Number, Et Cetera**

Unless the context otherwise requires, words importing the singular in number only shall include the plural and vice versa; words importing the use of any gender shall include both genders; and words importing persons shall include firms, corporations, trusts and partnerships.

### **1.4 Date for Any Action**

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day at such place.

### **1.5 Entire Agreement**

This Agreement, together with the exhibit, schedules, agreements and other documents herein or therein referred to, constitute the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, among the parties with respect to the subject matter hereof.

### **1.6 Currency**

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

## **ARTICLE II**

### **REPRESENTATIONS AND WARRANTIES**

#### **2.1 Representations and Warranties of Interprovincial**

Interprovincial represents and warrants to and in favour of Parent as follows:

- (a) Interprovincial is a corporation duly organized and validly existing under the

CBCA and has the corporate power and authority to own, operate and lease its property and assets and to carry on its business as now being conducted by it, and it is duly registered, licensed or qualified to carry on business in each jurisdiction in which a material amount of its business is conducted or where the character of its properties and assets makes such registration, licensing or qualification necessary;

- (b) Interprovincial has the corporate power and authority to enter into this Agreement and, subject to obtaining the requisite approvals contemplated hereby, to perform its obligations hereunder;
- (c) the authorized capital of Interprovincial consists of an unlimited number of common shares and an unlimited number of preferred shares, of which there are 39,784,489 Interprovincial Shares issued and outstanding at March 11, 1992;
- (d) no individual, firm, corporation or other person holds any securities convertible or exchangeable into any shares of Interprovincial or of any of its subsidiaries or has any agreement, warrant or option or any right capable of becoming an agreement, warrant or option for the purchase of any unissued shares of Interprovincial or any of its subsidiaries, except for 61 employees, former employees and annuitants of Interprovincial who have options to purchase 144,870 Interprovincial Shares pursuant to the Interprovincial Incentive Stock Option Plan (1984) and 51 employees, former employees and annuitants of Interprovincial who have options to purchase 177,640 Interprovincial Shares pursuant to the Interprovincial Incentive Stock Option Plan (1989);
- (e) the execution and delivery of this Agreement by Interprovincial and the completion of the transactions contemplated herein:
  - (i) do not and will not result in a breach of, or violate any term or provision of, the articles or by-laws of Interprovincial or any of its subsidiaries;
  - (ii) will not as of the Effective Date conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which Interprovincial or any of its subsidiaries is a party or by which it is bound and which is material to Interprovincial and its subsidiaries taken as a whole, or to which any material property of Interprovincial or any of its subsidiaries is subject or result in the creation of any lien, charge or encumbrance upon any of the material assets of

Interprovincial or any of its subsidiaries under any such agreement or instrument, or give to any person any material interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, licence, permit or authority; and

- (iii) do not and will not as of the Effective Date violate any provision of law or administrative regulation or any judicial or administrative award, judgment or decree applicable and known to Interprovincial, after due inquiry, the breach of which would have a material adverse effect on Interprovincial and its subsidiaries taken as a whole;
- (f) to the best of the knowledge of Interprovincial after due inquiry, there are no actions, suits, proceedings or investigations commenced, contemplated or threatened against or affecting Interprovincial or any subsidiary of Interprovincial, at law or in equity, before or by any governmental department, commission, board, bureau, court, agency, arbitrator or instrumentality, domestic or foreign, of any kind nor, to the best of the knowledge of Interprovincial, after due inquiry, are there any existing facts or conditions which may reasonably be expected, individually or in the aggregate, to be a proper basis for any actions, suits, proceedings or investigations, which in any case would prevent or hinder the consummation of the transactions contemplated by this Agreement or the Plan of Arrangement, or which may reasonably be expected individually or in the aggregate to have a material adverse effect of the business, operations, properties, assets or affairs, financial or otherwise, of Interprovincial and its subsidiaries taken as a whole, either before or after the Effective Date;
- (g) the execution and delivery of this Agreement and the completion of the transactions contemplated herein have been duly approved by the board of directors of Interprovincial and this Agreement has been duly executed and delivered by Interprovincial and constitutes a valid and binding obligation of Interprovincial enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction; and
- (h) the information set forth in the Interprovincial Proxy Circular relating to Interprovincial and its subsidiaries and the interests of Interprovincial and such subsidiaries, their respective businesses and properties and the effect of the Arrangement thereon is true, correct and complete in all material respects and does not contain any untrue statement of any material fact or omit to state any

material fact required to be stated therein or necessary in order to make the statements therein not misleading in the light of the circumstances in which they are made.

## 2.2 Representations and Warranties of Parent

Parent represents and warrants to and in favour of Interprovincial as follows:

- (a) Parent is or will become a corporation duly organized and validly existing under the CBCA;
- (b) Parent has the corporate power and authority to enter into this Agreement and, subject to obtaining the requisite approvals contemplated hereby, to perform its obligations hereunder;
- (c) the execution and delivery of this Agreement by Parent and the completion of the transactions contemplated herein:
  - (i) do not and will not result in the breach of, or violate any term or provision of, the articles or by-laws of Parent; and
  - (ii) do not and will not as of the Effective Date violate any provision of law or administrative regulation or any judicial or administrative award, judgment or decree applicable and known to Parent, after due inquiry, the breach of which would have a material adverse effect on Parent;
- (d) the execution and delivery of this Agreement and the completion of the transactions contemplated herein have been duly approved by the board of directors of Parent and this Agreement has been executed and delivered by Parent and constitutes a valid and binding obligation of Parent enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction;
- (e) Parent has not engaged in any business nor is it a party to or bound by any contract, agreement, arrangement, instrument, licence, permit or authority, other than this Agreement, the Agreement of Purchase and Sale and Assumption of Certain Obligations and any transaction or agreement necessary or incidental to the fulfilment of its obligations under this Agreement or the Agreement of

Purchase and Sale and Assumption of Certain Obligations nor does it have any liabilities, contingent or otherwise, except as provided in or permitted by the foregoing;

- (f) the authorized capital of Parent consists of an unlimited number of Parent Shares and an unlimited number of Parent Preference Shares, of which there is issued and outstanding at the date hereof 300 Parent Shares; and
- (g) no individual, firm, corporation or other person holds any securities convertible or exchangeable into any shares of Parent or has any agreement, warrant or option or any right capable of becoming an agreement, warrant or option for the purchase of any unissued shares of Parent.

### ARTICLE III

#### COVENANTS

#### 3.2 Covenants of Interprovincial

Interprovincial hereby covenants and agrees as follows:

- (a) until the Effective Date, Interprovincial and each of its subsidiaries shall carry on its business in the ordinary course and shall not enter into any transaction or incur any obligation or liability out of the ordinary course of its business, except as otherwise contemplated in this Agreement;
- (b) except as otherwise contemplated in this Agreement, until the Effective Date, Interprovincial shall not, and shall not suffer or permit any of its subsidiaries to, merge into or with, or amalgamate, consolidate or enter into any other corporate reorganization with, any other corporation or person or perform any act or enter into any transaction or negotiation which reasonably could be expected to, directly or indirectly interfere or be inconsistent with the completion of the Arrangement and, without limiting the generality of the foregoing, Interprovincial shall not and shall not suffer or permit any subsidiary to:
  - (i) make distributions by way of dividend, return of capital or otherwise to or for the benefit of its shareholders, except for the payment of regular dividends payable in the ordinary course to shareholders of such

corporation;

- (ii) issue any shares of, or any rights of any kind to acquire any shares of, any class of its share capital or other securities convertible or exchangeable into shares or options which are exercisable for the purchase of shares in its capital or enter into any commitment or agreement therefor;
  - (iii) acquire any assets other than in the ordinary course of business or acquire or agree to acquire by amalgamating, merging or consolidating with, purchasing substantially all of the assets of or otherwise, any business or any corporation, partnership, association or other business organization or division thereof;
  - (iv) sell, lease or otherwise dispose of or grant any option with respect to any of its assets, other than in the ordinary course of business; or
  - (v) except in the ordinary course of business, guarantee the payment of indebtedness or incur indebtedness for money borrowed or issue any debt securities; and
- (c) Interprovincial shall perform the obligations required to be performed by it hereunder, under the Agreement of Purchase and Sale and Assumption of Certain Obligations, under the Interprovincial Common Share Purchase for Cancellation Agreement, under the Parent Common Share Purchase for Cancellation Agreement, under the Interprovincial and Parent Promissory Note Set Off Agreement and under the Instalment Receipt and Security Agreement and shall do all such other acts and things as may be necessary or reasonably required in order to give effect to the Arrangement and, without limiting the generality of the foregoing, Interprovincial shall use all reasonable efforts to apply for and obtain:
- (i) the Interim Order and the Final Order as provided in section 3.4 hereof; and
  - (ii) such other consents, orders, approvals and rulings as counsel to Interprovincial may advise are necessary or reasonably desirable for the implementation of the Arrangement, including those referred to in section 4.1 hereof.

### 3.3 Covenants of Parent

Parent hereby covenants and agrees as follows:

- (a) except as otherwise contemplated by this Agreement, until the Effective Date, Parent shall not issue any shares, purchase any shares, pay any dividend or make any distribution to its shareholder, engage in any business, enter into any contract, arrangement or agreement other than as contemplated by this Agreement or enter into any transaction or negotiation which reasonably could be expected to, directly or indirectly, interfere with or be inconsistent with the completion of the Arrangement;
- (b) Parent shall perform the obligations required to be performed by it hereunder, under the Agreement of Purchase and Sale and Assumption of Certain Obligations, under the Parent Common Share Purchase for Cancellation Agreement, under the Interprovincial Common Share Purchase for Cancellation Agreement, under the Interprovincial and Parent Promissory Note Set Off Agreement and assume Interprovincial's obligations under the Instalment Receipt and Security Agreement, and shall do all such other acts and things as may be necessary or reasonably required in order to give effect to the Arrangement;
- (c) In the event the secondary offering of Interprovincial Shares by GW Utilities Limited and 755992 Ontario Inc. described in the final short form prospectus to be dated March 18, 1992 does not close, at the request of Olympia & York Developments Limited (referred to as the "Requesting Corporation") Parent shall, in respect of the exchange of Interprovincial Shares for Parent Shares as described in section 3.01 of the Plan of Arrangement, elect jointly with the Requesting Corporation pursuant to subsection 85(1) of the ITA, within the time limit referred to in subsection 85(6) of the ITA, and the agreed amount in any such election in respect of the Interprovincial Shares transferred by the Requesting Corporation to Parent shall be such amount as the Requesting Corporation shall specify subject to the several limitations of subsection 85(1); and
- (d) Parent shall use all reasonable efforts to apply for and obtain:
  - (i) the Interim Order and the Final Order as provided in Section 3.4 hereof; and
  - (ii) such other consents, orders, approvals and rulings as counsel to Parent may advise are necessary or desirable for the implementation of the Arrangement, including those referred to in Section 4.1 hereof.

### **3.4 Interim Order and Final Order**

Each party covenants and agrees that it will, as soon as reasonably practicable, apply to the Court pursuant to section 192 of the CBCA for the Interim Order providing for, among other things, the calling and holding of the Interprovincial Meeting for the purpose of, among other matters, considering and, if deemed advisable, approving the Arrangement and that, if the approval of Shareholders and holders of Instalment Receipts of the Arrangement as set forth in the Interim Order is obtained by Interprovincial, as soon as practicable thereafter each party will take the necessary steps to submit the Arrangement to the Court and apply for the Final Order in such fashion as the Court may direct. As soon as practicable thereafter, and subject to compliance with any other conditions provided for in Article IV hereof, Interprovincial and Parent shall send to the Director pursuant to subsection 192(6) of the CBCA articles of arrangement to give effect to the Arrangement.

### **3.5 Actions Relating to Tax Rulings**

Notwithstanding any other provision of this Agreement, nothing in this Agreement shall prevent any of the parties hereto from performing any act or entering into any transaction or negotiation which is necessary or advisable to comply with the Tax Rulings, including, without limiting the generality of the foregoing, any required amendments to the transactions contemplated by section 4.1(i) hereof or by or in the Plan of Arrangement.

### **3.6 Non-Survival of Representations, Warranties and Covenants**

The respective representations, warranties and covenants of Interprovincial and Parent contained herein shall expire and be terminated and extinguished at and from the Effective Time, other than the covenants in sections 3.2(c), 3.3(b) and 3.3(c), and no party shall have any liability or further obligation to any party hereunder in respect of the respective representations, warranties and covenants thereafter, other than the covenants in sections 3.2(c), 3.3(b) and 3.3(c).

## **ARTICLE IV**

### **CONDITIONS**

#### **4.1 Mutual Conditions Precedent**

The respective obligations of each party hereto to complete the transactions contemplated

by this Agreement shall be subject to the satisfaction, on or before the Effective Date, of the following conditions, none of which may be waived by any party hereto in whole or in part except for those provided in sections (g), (i) and (j) below, which may be waived by any party hereto in whole or in part without prejudice to such party's right to rely on any other of them:

- (a) the Arrangement, with or without amendment, shall have been approved at the Interprovincial Meeting in accordance with the Interim Order;
- (b) the Interim Order and the Final Order shall have been obtained in form and substance satisfactory to Interprovincial acting reasonably;
- (c) The Toronto Stock Exchange, the Montreal Exchange and the National Association of Securities Dealers shall have confirmed, as of the Effective Date, the listing and posting for trading or the quotation, as the case may be, of the Parent Shares issuable on the Arrangement, subject to compliance with the listing or quotation requirements thereof;
- (d) no action shall have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of or damages on account of or relating to the Arrangement and no cease trading or similar order with respect to any securities of Interprovincial or Parent shall have been issued and remain outstanding;
- (e) all material regulatory requirements shall have been complied with and all other material consents, orders and approvals, including regulatory and judicial approvals and orders, necessary for the completion of the transactions provided for in this Agreement shall have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances including, without limitation, pursuant to the Securities Act (Ontario), the Securities Act (Alberta) and the comparable securities legislation of the other provinces of Canada where shareholders of Interprovincial reside and of the United States of America and the States thereof where shareholders of Interprovincial reside;
- (f) none of the consents, orders, regulations or approvals contemplated herein shall contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by Interprovincial acting reasonably;
- (g) the following transactions shall have been completed:
  - (i) Parent shall, if necessary, have continued as a corporation subject to the CBCA;

- (ii) Parent shall have changed its name to Interprovincial Pipe Line System Inc.;
- (iii) Parent shall have amended its articles so that its share capital provisions are identical to those of Interprovincial and with respect to the common shares, in substantially the form set forth in Appendix A to Exhibit I; and
- (iv) Parent shall have amended its by-laws to conform with those of Interprovincial and in substantially the form set forth in Appendix B to Exhibit I;
- (h) the Tax Rulings shall have been obtained in form and on terms satisfactory to Interprovincial when obtained and as at the Effective Date;
- (i) all conditions set out in the Agreement of Purchase and Sale and Assumption of Certain Obligations, the Interprovincial Common Share Purchase for Cancellation Agreement, the Parent Common Share Purchase for Cancellation Agreement and the Interprovincial and Parent Promissory Note Set Off Agreement shall have been satisfied and the parties thereto shall be ready, willing and able to complete the transactions contemplated by each such agreement, and none of such agreements shall have been terminated or amended in a material respect;
- (j) Parent shall, subject to the completion of the secondary offering of 25,184,200 Interprovincial Shares by short form prospectus to be dated March 18, 1992, have assumed Interprovincial's obligations under the Instalment Receipt and Security Agreement or been novated into the same; and
- (k) this Agreement shall not have been terminated under Article V.

#### **4.2 Conditions to Obligations of Each Party**

The obligation of each of Interprovincial and Parent to complete the transactions contemplated by this Agreement is further subject to the condition, which may be waived by any such party without prejudice to its right to rely on any other condition in favour of such party, that each and every one of the covenants of the other parties hereto to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by each of them and that, except as affected by the transactions contemplated by this Agreement, the representations and warranties of the other parties hereto shall be true and correct in all material respects as at the Effective Date, with the same effect as if such representations and warranties had been made at and as of such time, and each such party shall have received a certificate, dated the Effective Date, of a senior officer of each other party confirming the same.

#### **4.3 Merger of Conditions**

The conditions set out in sections 4.1 and 4.2 shall be conclusively deemed to have been satisfied, waived or released upon the delivery to the Director pursuant to subsection 192(6) of the CBCA of articles of arrangement to give effect to the Arrangement.

### **ARTICLE V**

#### **AMENDMENT AND TERMINATION**

##### **5.1 Amendment**

This Agreement may, at any time and from time to time before and after the holding of the Interprovincial Meeting but not later than the Effective Date, be amended by written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of the shareholders of Interprovincial.

##### **5.2 Termination**

This Agreement may, at any time before or after the holding of the Interprovincial Meeting but no later than the Effective Date, be terminated by the board of directors of Interprovincial without further notice to, or action on the part of, its shareholders.

Without limiting the generality of the foregoing, Interprovincial may terminate this Agreement:

- (a) in the event that any right of dissent is exercised pursuant to section 4.01 of the Plan of Arrangement in respect of Interprovincial Shares and the board of directors of Interprovincial determines in its sole judgment that as a result it would be inadvisable in such circumstances for Interprovincial to proceed with the Arrangement, or
- (b) if prior to the Effective Date there is any material change in the business, operations, property, assets, liabilities or condition, financial or otherwise, of Interprovincial or Parent or any change in general economic conditions, interest rates or any outbreak or material escalation in, or the cessation of, hostilities or any other calamity or crisis, or there should develop, occur or come into effect any occurrence which has a material effect on the financial markets of Canada

and the board of directors of Interprovincial determines in its sole judgment that it would be inadvisable in such circumstances for Interprovincial to proceed with the Arrangement.

### **5.3 Effect of Termination**

Upon the termination of this Agreement pursuant to section 5.2 hereof, no party shall have any liability or further obligation to any other party hereunder.

## **ARTICLE VI**

### **GENERAL**

#### **6.1 Notices**

All notices which may or are required to be given pursuant to any provision of this agreement shall be given or made in writing and shall be deemed to be validly given if served personally or by telecopy, in each case to the attention of the senior officer at the following addresses or at such other addresses as shall be specified by the parties by like notice:

if to Interprovincial or Parent

2100 Interprovincial Tower  
10201 Jasper Avenue  
Edmonton, Alberta  
T5J 3N1

Attention: Corporate Secretary

Facsimile Transmission: (403) 420-5166

The date of receipt of any such notice shall be deemed to be the date of delivery or facsimile transmission thereof.

#### **6.2 Assignment**

No party may assign its rights or obligations under this Agreement or the Arrangement without the prior written consent of the other parties hereto.

### **6.3 Binding Effect**

This Agreement and the Arrangement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns and, in the case of the Arrangement, shall enure to the benefit of the holders from time to time of the Interprovincial Shares.

### **6.4 Waiver**

Any waiver or release of any of the provisions of this Agreement, to be effective, must be in writing executed by the party granting the same. Waivers may only be granted upon compliance with the terms governing amendments set forth in section 5.1 hereof, mutatis mutandis.

### **6.5 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall be treated in all respects as an Alberta contract.

**6.6 Counterparts**

This Agreement may be executed in one or more counterparts each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first hereinbefore written.

**INTERPROVINCIAL PIPE LINE INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

**159569 CANADA LTD.**

By: \_\_\_\_\_

By: \_\_\_\_\_



**Certificate  
of Amendment**

**Canada Business  
Corporations Act**

**Certificat  
de modification**

**Loi régissant les sociétés  
par actions de régime fédéral**

**IPL Energy Inc.  
IPL Energie Inc.**

**227602-0**

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended

Je certifie que les statuts de la société susmentionnée ont été modifiés :

(a) under section 13 of the *Canada Business Corporations Act* in accordance with the attached notice;

a) en vertu de l'article 13 de la *Loi régissant les sociétés par actions de régime fédéral*, conformément à l'avis ci-joint;

(b) under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares;

b) en vertu de l'article 27 de la *Loi régissant les sociétés par actions de régime fédéral*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under section 179 of the *Canada Business Corporations Act* as set out in the attached articles of amendment;

c) en vertu de l'article 179 de la *Loi régissant les sociétés par actions de régime fédéral*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;

(d) under section 191 of the *Canada Business Corporations Act* as set out in the attached articles of reorganization;

d) en vertu de l'article 191 de la *Loi régissant les sociétés par actions de régime fédéral*, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes;

(e) under section 192 of the *Canada Business Corporations Act* as set out in the attached articles of arrangement.

e) en vertu de l'article 192 de la *Loi régissant les sociétés par actions de régime fédéral*, tel qu'il est indiqué dans les clauses d'arrangement ci-jointes.

Director - Directeur

**May 5, 1994/le 5 mai 1994**

Date of Amendment - Date de modification

1 — Name of Corporation — Dénomination de la société

2 — Corporation No. N° de la société

INTERPROVINCIAL PIPE LINE SYSTEM INC.

227602-0

— The articles of the above-named corporation are amended as follows: Les statuts de la société ci-haut mentionnée sont modifiés de la façon suivante:

Article 1 of the Articles of Continuance of the Corporation is amended pursuant to paragraph 173(1) of the Canada Business Corporations Act by deleting Article 1 in its entirety and replacing it with the following:

1. Name of Corporation  
The English form of the name shall be IPL Energy Inc. and the French form of the name shall be IPL Energie Inc.

Article 2 of the Articles of Continuance of the Corporation is amended pursuant to paragraph 173(1) of the Canada Business Corporations Act by deleting Article 2 in its entirety and replacing it with the following:

2. The Place in Canada where the registered office is to be situated is Calgary, Alberta.
- ~~7. If change of name effected, previous name  
Interprovincial Pipe Line System Inc., prior thereto, 159569 Canada Inc.~~

Date

May 5, 1994

Signature

B.G. Melnyk

Description of Office — Description du poste

Assistant Secretary





**Certificate  
of Amendment**

**Canada Business  
Corporations Act**

**Certificat  
de modification**

**Loi canadienne sur  
les sociétés par actions**

**Enbridge Inc.**

**227602-0**

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended

Je certifie que les statuts de la société susmentionnée ont été modifiés :

(a) under section 13 of the *Canada Business Corporations Act* in accordance with the attached notice;

a) en vertu de l'article 13 de la *Loi canadienne sur les sociétés par actions*, conformément à l'avis ci-joint;

(b) under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares;

b) en vertu de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under section 179 of the *Canada Business Corporations Act* as set out in the attached articles of amendment;

c) en vertu de l'article 179 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;

(d) under section 191 of the *Canada Business Corporations Act* as set out in the attached articles of reorganization.

d) en vertu de l'article 191 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes.

Director - Directeur

**October 7, 1998/le 7 octobre 1998**

Date of Amendment - Date de modification

CANADA BUSINESS  
CORPORATIONS ACT

LOI SUR LES SOCIÉTÉS  
COMMERCIALES CANADIENNES

FORM 4

FORMULE 4

ARTICLES OF AMENDMENT  
(SECTION 27 OR 177)

CLAUSES MODIFICATRICES  
(ARTICLE 27 OU 177)

1. Name of Corporation

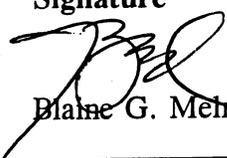
2. Corporation Number

IPL Energy Inc./  
IPL Energie Inc.

227602-0

3. The Articles of the above-named Corporation are amended as follows:

Article 1 of the Articles of Continuance of the Corporation is amended pursuant to paragraph 173(1)(a) of the *Canada Business Corporations Act* by changing the name of the corporation from "IPL Energy Inc.", in its english language form, and "IPL Energie Inc.", in its french language form, to "Enbridge Inc.", in both the english and french language forms.

Date:	Signature	Description of office
October <u>6</u> , 1998	 Blaine G. Melnyk	Assistant Corporate Secretary

OCT - 7 1998



**Certificate  
of Amendment**

**Canada Business  
Corporations Act**

**Certificat  
de modification**

**Loi canadienne sur  
les sociétés par actions**

**Enbridge Inc.**

**227602-0**

\_\_\_\_\_  
Name of corporation-Dénomination de la société

\_\_\_\_\_  
Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended

Je certifie que les statuts de la société susmentionnée ont été modifiés :

(a) under section 13 of the *Canada Business Corporations Act* in accordance with the attached notice;

a) en vertu de l'article 13 de la *Loi canadienne sur les sociétés par actions*, conformément à l'avis ci-joint;

(b) under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares;

b) en vertu de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

(c) under section 179 of the *Canada Business Corporations Act* as set out in the attached articles of amendment;

c) en vertu de l'article 179 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;

(d) under section 191 of the *Canada Business Corporations Act* as set out in the attached articles of reorganization.

d) en vertu de l'article 191 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes.

Director - Directeur

**November 24, 1998/le 24 novembre 1998**

Date of Amendment - Date de modification

CANADA BUSINESS  
CORPORATIONS ACT

LOI SUR LES SOCIETES  
COMMERCIALES CANADIENNES

FORM 4

FORMULE 4

ARTICLES OF AMENDMENT  
(SECTION 27 OR 177)

CLAUSES MODIFICATRICES  
(ARTICLE 27 OU 177)

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1. Name of Corporation	2. Corporation Number
Enbridge Inc.	227602-0

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3. The Articles of the above-named Corporation are amended as follows:

Pursuant to Section 27, the capital of the Corporation, set out in paragraph 3 of the Articles, is increased by designating as a new series of preference shares of the Corporation 5,000,000 shares as "5.50% Cumulative Redeemable Preference Shares, Series A" having attached thereto the rights, privileges, restrictions and conditions as set forth in the attached Schedule "A", such rights, privileges, restrictions and conditions to be in addition to those rights, privileges, restrictions and conditions attaching to the preference shares of the Corporation, as a class.

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Date	Signature	Description of office
November 23, 1998		Senior Legal Counsel & Assistant Corporate Secretary

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FOR DEPARTMENTAL USE ONLY.  
FILED: NOV 24 1998

## **SCHEDULE "A"**

### **5.50% CUMULATIVE REDEEMABLE PREFERENCE SHARES, SERIES A**

The 5.50% Cumulative Redeemable Preference Shares, Series A (the "Series A Preferred Shares") shall, in addition to the rights, privileges, restrictions and conditions attaching to the preference shares as a class (the "Preference Shares Class Provisions"), carry and be subject to the following rights, privileges, restrictions and conditions (collectively, the "Series A Preferred Share Provisions"):

#### **Dividends**

1. The holders of the Series A Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.375 per share payable quarterly on the first day of March, June, September and December in each year. The first dividend, if declared, will be payable on March 1, 1999 and, if the Series A Preferred Shares are issued on December 1, 1998, will be in the amount of \$0.34375 per Series A Preferred Share, and if the Series A Preferred Shares are issued after December 1, 1998, will be an amount that is prorated to reflect the period of time for which the Series A Preferred Shares are outstanding prior to March 1, 1999, with such amount being determined by dividing the number of days during which the Series A Preferred Shares are outstanding prior to March 1, 1999 (including the date of issue) by 365 and multiplying the quotient obtained by \$1.375.

If on any dividend payment date the dividend payable on such date is not paid in full on all of the Series A Preferred Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series A Preferred Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the preference shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

The holders of the Series A Preferred Shares shall not be entitled to any dividends other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **Liquidation, Dissolution or Winding-up**

2. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Series A Preferred Shares, in accordance with the Preference Shares Class Provisions, shall be entitled to receive the amount paid up on such shares together with an amount equal to all accrued and unpaid dividends thereon, which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the common shares or to the holders of any other shares ranking junior to the Series A Preferred Shares in any respect. Where any such amounts are not paid in full, the Series A Preferred Shares shall participate rateably with all preference shares and all other shares, if any, which rank on a parity with the preference shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the preference shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series A Preferred Shares of the amount so payable to them they shall not be entitled to share in any other distribution of the property or assets of the Corporation.

### **Restrictions on Partial Redemption or Purchase**

3. So long as any of the Series A Preferred Shares are outstanding, the Corporation shall not call for the redemption of or purchase or reduce or otherwise pay off less than all the Series A Preferred Shares and all the preference shares and all other shares ranking on a parity with the preference shares with respect to payment of the dividends then outstanding unless all dividends up to and including the dividend payable on the last preceding respective dividend payment date on all such shares then outstanding shall have been declared and paid at the date of any such call for redemption, purchase, reduction or other payment.

### **Purchase for Cancellation**

4. The Corporation may, at any time, subject to the provisions of the foregoing section 3 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series A Preferred Shares outstanding from time to time at any price by tender to all holders of record of Series A Preferred Shares or through the facilities of any stock exchange on which the Series A Preferred Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series A Preferred Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series A Preferred Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series

A Preferred Shares under the provisions of this section 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series A Preferred Shares so offered by each of the holders of Series A Preferred Shares who offered shares to such tender. From and after the date of purchase of any Series A Preferred Shares under the provisions of this section 4, the shares so purchased shall be cancelled.

### **Redemption**

5. The Corporation may not redeem the Series A Preferred Shares or any of them prior to December 1, 2003. Subject to the provisions of the foregoing section 3 and to the provisions of the *Canada Business Corporations Act*, the Corporation, may redeem on not more than 60 days' and not less than 30 days' prior notice, at any time on or after December 1, 2003, the whole or, from time to time, any part of the then outstanding Series A Preferred Shares on payment of:

- (a) \$26.00 per share if redeemed on or prior to December 1, 2004;
- (b) \$25.75 per share if redeemed after December 1, 2004 and on or prior to December 1, 2005;
- (c) \$25.50 per share if redeemed after December 1, 2005 and on or prior to December 1, 2006;
- (d) \$25.25 per share if redeemed after December 1, 2006 and on or prior to December 1, 2007; and
- (e) \$25.00 per share if redeemed after December 1, 2007;

(such price being hereinafter referred to as the "Redemption Price"), together, in each case, with an amount equal to all accrued and unpaid dividends thereon, which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series A Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

### **Procedure on Redemption**

6. Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series A Preferred Shares under the provisions of the foregoing section 5, the following provisions shall apply. The Corporation shall at least 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series A Preferred Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series A Preferred Shares. Such notice shall be mailed in a prepaid letter addressed to each such shareholder at his address as it appears in the securities register maintained by or for the

Corporation or in the event of the address of any such shareholder not so appearing then to the last known address of such shareholder, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series A Preferred Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series A Preferred Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series A Preferred Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series A Preferred Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series A Preferred Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series A Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series A Preferred Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

#### **Rights to Subscribe to Other Securities**

7. The holders of the Series A Preferred Shares shall not as such be entitled as of right to subscribe for or purchase or receive any part of any issue of shares or bonds, debentures or other securities of the Corporation now or hereafter authorized.

### **Restrictions on Payment of Dividends and Retirement of Shares**

8. So long as any of the Series A Preferred Shares are outstanding the Corporation shall not:
- (a) declare or pay or set apart for payment any dividends on the common shares or any other shares of the Corporation ranking junior to the Series A Preferred Shares with respect to payment of dividends; or
  - (b) call for redemption, purchase, reduce or otherwise pay off any shares of the Corporation ranking junior to the Series A Preferred Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividend payable on the last preceding respective dividend payment date on all Series A Preferred Shares and all the other preference shares and on all other shares ranking on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subsections (a) and (b).

### **Amendments**

9. The provisions of sections 1 to 11, inclusive, of these Series A Preferred Shares Provisions may be repealed, altered, modified, amended or amplified only with the sanction of the holders of the Series A Preferred Shares given as hereinafter specified in addition to any other approval required by the *Canada Business Corporations Act*.

### **Sanction by Holders of Series A Preferred Shares**

10. The sanction by holders of the Series A Preferred Shares as to any and all matters referred to herein or as to any change adversely affecting the rights or privileges of the Series A Preferred Shares may be given and shall be deemed to have been sufficiently given if given by the holders of the Series A Preferred Shares in the manner provided in the Preference Shares Class Provisions with respect to the sanction of the holders of any series of the preference shares and the said provisions shall apply *mutatis mutandis*.

### **Tax Election**

11. The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series A Preferred Shares will be required to pay tax on dividends received on the Series A Preferred Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.



**Certificate of Amendment**

**Canada Business Corporations Act**

**Certificat de modification**

**Loi canadienne sur les sociétés par actions**

Enbridge Inc.

227602-0

Name of corporation-Dénomination de la société

Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended

Je certifie que les statuts de la société susmentionnée ont été modifiés:

a) under section 13 of the *Canada Business Corporations Act* in accordance with the attached notice;

a) en vertu de l'article 13 de la *Loi canadienne sur les sociétés par actions*, conformément à l'avis ci-joint;

b) under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares;

b) en vertu de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

c) under section 179 of the *Canada Business Corporations Act* as set out in the attached articles of amendment;

c) en vertu de l'article 179 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;

d) under section 191 of the *Canada Business Corporations Act* as set out in the attached articles of reorganization;

d) en vertu de l'article 191 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes;

April 29, 1999 / le 29 avril 1999

Director - Directeur

Date of Amendment - Date de modification



Consumer and Corporate Affairs Canada / Consommation et Affaires commerciales Canada

Canada Business Corporations Act / Loi régissant les sociétés par actions de régime fédéral

FORM 4  
ARTICLES OF AMENDMENT  
(SECTION 27 OR 177) FORMULE 4  
CLAUSES MODIFICATRICES  
(ARTICLE 27 OU 177)

<p>1 - Name of Corporation - Dénomination de la société</p> <p style="text-align: center;"><b>ENBRIDGE INC.</b></p>	<p>2 - Corporation No. N° de la société</p> <p style="text-align: center;"><b>227602-0</b></p>
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3 - The articles of the above-name corporation are amended as follows: / Les statuts de la société ci-haut mentionnée sont modifiés de la façon suivante:

- Article 3 of the Articles of the Corporation is amended pursuant to subsection 173(1)(h) of the *Canada Business Corporations Act* as follows:

Each of the issued and outstanding Common Shares of the Corporation is divided into two Common Shares of the Corporation, effective May 10, 1999.

- Article 8 of the Articles of the Corporation is amended pursuant to subsection 173(1)(o) of the *Canada Business Corporations Act* by the addition of the following:

Between annual meetings of shareholders, the board of directors may appoint one or more directors, who shall hold office for a term expiring not later than the close of the next annual meeting of shareholders, but the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of shareholders.

<p>Date</p> <p style="text-align: center;">April 29, 1999</p>	<p>Signature</p> 	<p>Description of Office - Description du poste</p> <p style="text-align: center;">Assistant Corporate Secretary</p>
<p>FOR DEPARTMENT USE ONLY - À L'USAGE DU MINISTÈRE SEULEMENT / File - Déposée</p>		



**Certificate  
of Amendment**

**Canada Business  
Corporations Act**

**Certificat  
de modification**

**Loi canadienne sur  
les sociétés par actions**

Enbridge Inc.

**227602-0**

\_\_\_\_\_  
Name of corporation-Dénomination de la société

\_\_\_\_\_  
Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended:

Je certifie que les statuts de la société susmentionnée ont été modifiés:

- a) under section 13 of the Canada Business Corporations Act in accordance with the attached notice;
- b) under section 27 of the Canada Business Corporations Act as set out in the attached articles of amendment designating a series of shares;
- c) under section 179 of the Canada Business Corporations Act as set out in the attached articles of amendment;
- d) under section 191 of the Canada Business Corporations Act as set out in the attached articles of reorganization;

- a) en vertu de l'article 13 de la Loi canadienne sur les sociétés par actions, conformément à l'avis ci-joint;
- b) en vertu de l'article 27 de la Loi canadienne sur les sociétés par actions, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;
- c) en vertu de l'article 179 de la Loi canadienne sur les sociétés par actions, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;
- d) en vertu de l'article 191 de la Loi canadienne sur les sociétés par actions, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes;

Richard G. Shaw  
Director - Directeur

**May 5, 2005 / le 5 mai 2005**

Date of Amendment - Date de modification



Industry Canada Industrie Canada

ELECTRONIC TRANSACTION RAPPORT DE LA TRANSACTION  
REPORT ÉLECTRONIQUE

Canada Business Loi canadienne sur les  
Corporations Act sociétés par actions

ARTICLES OF AMENDMENT CLAUSES MODIFICATRICES  
(SECTIONS 27 OR 177) (ARTICLES 27 OU 177)

Processing Type - Mode de traitement: E-Commerce/Commerce-É

<p>1. Name of Corporation - Dénomination de la société</p> <p>Enbridge Inc.</p>	<p>2. Corporation No. - N° de la société</p> <p>227602-0</p>
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3. **The articles of the above-named corporation are amended as follows:**  
**Les statuts de la société mentionnée ci-dessus sont modifiés de la façon suivante:**

The Articles of the Corporation are amended pursuant to subsection 173(1)(h) of the Canada Business Corporations Act as follows:

Each of the issued and outstanding Common Shares of the Corporation is split into two (2) Common Shares for each one (1) Common Share of the Corporation, effective May 21, 2005.

Date	Name - Nom	Signature	Capacity of - en qualité
2005-05-05	BLAINE G. MELNYK		AUTHORIZED OFFICER





## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2011-05-11

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
**Enbridge Inc.**
- 
- 2 Corporation number  
Numéro de la société  
**227602-0**
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
**See attached schedule / Voir l'annexe ci-jointe**

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
**Alison T. Love**  
\_\_\_\_\_  
**Alison T. Love**  
**403-231-3938**

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

**Schedule / Annexe**  
**Description of Classes of Shares / Description des catégories d'actions**

The Articles of the Corporation are amended pursuant to subsection 173(1)(h) of the Canada Business Corporations Act as follows:

Each of the issued and outstanding Common Shares of the Corporation is split into two (2) Common Shares for each one (1) Common Share of the Corporation, effective May 26, 2011.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2011-09-28

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The second series of Preference Shares of the Corporation shall consist of 20,000,000 shares designated as Cumulative Redeemable Preference Shares, Series B (the “**Series B Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series B Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series B Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.40%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series B Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series B Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.40%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR <Index> Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR <Index> Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series B Preference Shares to but excluding June 1, 2017;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2017;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series B Conversion Date**” means June 1, 2017, and June 1 in every fifth year thereafter;
  - (xxvi) “**Series C Preference Shares**” means the Cumulative Redeemable First Preference Shares, Series C of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2017 to but excluding June 1, 2022, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series B Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series B Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on March 1, 2012, and, if the Series B Preference Shares are issued on September 30, 2011, shall be in the amount of \$0.4192 per Series B Preference Share, and if the Series B Preference Shares are issued after September 30, 2011, will be an amount that is prorated to reflect the period of time for which the Series B Preference Shares are outstanding prior to March 1, 2012, with such amount being determined by multiplying \$1.00 by the number of days in the period from and including the date of issue of the Series B Preference Shares to but excluding March 1, 2012, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series B Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series B Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series B Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series B Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series B Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the preference shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be

payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series B Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series B Preference Shares outstanding from time to time at any price by tender to all holders of record of Series B Preference Shares or through the facilities of any stock exchange on which the Series B Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series B Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series B Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series B Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series B Preference Shares so offered by each of the holders of Series B Preference Shares who offered shares to such tender. From and after the date of purchase of any Series B Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series B Preference Shares or any of them prior to June 1, 2017. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation, may redeem on not more than 60 days and not less than 30 days prior notice, on June 1, 2017 and on June 1 in every fifth year thereafter, the whole or, any part of the then outstanding Series B Preference Shares on payment of \$25.00 cash per Series B Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series B Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series B Preference Shares under the provisions of the foregoing paragraph 4, the following

provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series B Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series B Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series B Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series B Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series B Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series B Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series B Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series B Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series B Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series C Preference Shares**

- (a) The Series B Preference Shares shall not be convertible prior to June 1, 2017. Holders of Series B Preference Shares shall have the right to elect to convert on each Series B Conversion Date, subject to the provisions hereof, all or any of their Series B Preference Shares into Series C Preference Shares on the basis of one Series C Preference Share for each Series B Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series B Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series B Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series B Conversion Date and instructions to such holders as to the method by which

such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series B Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series B Preference Shares of the Annual Fixed Dividend Rate for the Series B Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series C Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in subparagraph 2(c) to the holders of the Series B Preference Shares of the redemption of all of the Series B Preference Shares, then the right of a holder of Series B Preference Shares to convert such Series B Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series B Preference Shares shall not be entitled to convert their shares into Series C Preference Shares if the Corporation determines that there would remain outstanding on a Series B Conversion Date less than 1,000,000 Series C Preference Shares, after having taken into account all Series B Preference Shares tendered for conversion into Series C Preference Shares and all Series C Preference Shares tendered for conversion into Series B Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series B Preference Shares at least seven days prior to the applicable Series B Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series B Conversion Date, at the expense of the Corporation, to such holders of Series B Preference Shares who have surrendered for conversion any certificate or certificates representing Series B Preference Shares, certificates representing the Series B Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series B Conversion Date less than 1,000,000 Series B Preference Shares, after having taken into account all Series B Preference Shares tendered for conversion into Series C Preference Shares and all Series C Preference Shares tendered for conversion into Series B Preference Shares, then all of the remaining outstanding Series B Preference Shares shall be converted automatically into Series C Preference Shares on the basis of one Series C Preference Share for each Series B Preference Share on the applicable Series B Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series B Preference Shares at least seven days prior to the Series B Conversion Date.
- (e) The conversion right may be exercised by a holder of Series B Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series B Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series B Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series B

Conversion Date. The Series B Conversion Notice shall indicate the number of Series B Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series C Preference Shares are in the Book-Based System, if the Series C Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series B Preference Shares to be converted, the Series B Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series C Preference Shares in some other name or names (the “**Series C Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series C Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series C Transferee to hold such Series C Preference Shares.

- (f) If all remaining outstanding Series B Preference Shares are to be converted into Series C Preference Shares on the applicable Series B Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series B Preference Shares that holders have not previously elected to convert shall be converted on the Series B Conversion Date into Series C Preference Shares and the holders thereof shall be deemed to be holders of Series C Preference Shares at 5:00 p.m. (Toronto time) on the Series B Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series B Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series C Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6, and paragraph 11, as promptly as practicable after the Series B Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series C Preference Shares registered in the name of the holders of the Series B Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series B Preference Shares of the certificate or certificates for the Series B Preference Shares to be converted. If only a part of such Series B Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series B Conversion Notice, the Series B Preference Shares converted into Series C Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series B Preference Shares to be converted share certificates representing the Series C Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series C Preference Shares upon conversion of any Series B Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series C Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series C Preference Shares or is unable to deliver Series C Preference Shares.
- (i) The Corporation reserves the right not to deliver Series C Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series C Preference Shares, and the Corporation shall attempt to sell such Series C Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series C Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series C Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series B Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series B Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series B Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series B Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series B Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series B Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series B Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series B Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series B Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series B Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series B Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series B Preference Shares will be required to pay tax on dividends received on the Series B Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or other property) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series B Preference Shares pursuant to these share provisions shall be considered to be

the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series B Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series B Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series B Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series B Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series B Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series B Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series B Preference Shares for the purposes of receiving notices or payments on or in respect of the Series B Preference Shares or the delivery of Series B Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series B Preference Shares, the cash redemption price for the Series B Preference Shares or certificates for Series C Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series B Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series B Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series B Preference Shares and the Corporation shall

notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series B Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series B Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series B Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series B Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series B Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series B Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series B Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series B Preference Shares**

The approval of the holders of the Series B Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series B Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series B Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series B Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series B

Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series B Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series B Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series B Preference Shares. Notice of any such original meeting of the holders of the Series B Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series B Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series B Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series B Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series B Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The third series of Preference Shares of the Corporation shall consist of 20,000,000 shares designated as Cumulative Redeemable Preference Shares, Series C (the “**Series C Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series C Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series C Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.40%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series C Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series C Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.40%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR <Index> Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR <Index> Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2017;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series B Preference Shares**” means the Cumulative Redeemable Preference Shares, Series B of the Corporation;
  - (xxv) “**Series C Conversion Date**” means June 1, 2022, and June 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2017 to but excluding June 1, 2022, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series C Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series C Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series C Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series C Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series C Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series C Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series C Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the preference shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series C Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series C Preference Shares outstanding from time to time at any price by tender to all holders of record of Series C Preference Shares or through the facilities of any stock exchange on which the Series C Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series C Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series C Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series C Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series C Preference Shares so offered by each of the holders of Series C Preference Shares who offered shares to such tender. From and after the date of purchase of any Series C Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series C Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share in the case of a redemption on a Series C Conversion Date on or after June 1, 2022; or
- (b) \$25.50 per share in the case of a redemption on any other date after June 1, 2017 that is not a Series C Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series C Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series C Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series C Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series C Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series C Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series C Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series C

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series C Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series C Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series C Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series C Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series C Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series B Preference Shares**

- (a) The Series C Preference Shares shall not be convertible prior to June 1, 2022. Holders of Series C Preference Shares shall have the right to elect to convert on each Series C Conversion Date, subject to the provisions hereof, all or any of their Series C Preference Shares into Series B Preference Shares on the basis of one Series B Preference Share for each Series C Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series C Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series C Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series C Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series C Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series C Preference Shares of the Annual Fixed Dividend Rate for the Series B Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series C Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series C Preference Shares of the redemption of all of the Series C Preference Shares, then the right of a holder of Series C Preference Shares to convert such Series C Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series C Preference Shares shall not be entitled to convert their shares into Series B Preference Shares if the Corporation determines that there would remain outstanding on a Series C Conversion Date less than 1,000,000 Series B Preference Shares, after having taken into account all Series C Preference Shares tendered for conversion into Series B Preference Shares and all Series B Preference Shares tendered for conversion into Series C Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series C Preference Shares at least seven days prior to the applicable Series C Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series C Conversion Date, at the expense of the Corporation, to such holders of Series C Preference Shares who have surrendered for conversion any certificate or certificates representing Series C Preference Shares, certificates representing the Series C Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series C Conversion Date less than 1,000,000 Series C Preference Shares, after having taken into account all Series C Preference Shares tendered for conversion into Series B Preference Shares and all Series B Preference Shares tendered for conversion into Series C Preference Shares, then all of the remaining outstanding Series C Preference Shares shall be converted automatically into Series B Preference Shares on the basis of one Series B Preference Share for each Series C Preference Share on the applicable Series C Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series C Preference Shares at least seven days prior to the Series C Conversion Date.
- (e) The conversion right may be exercised by a holder of Series C Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series C Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series C Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series C Conversion Date. The Series C Conversion Notice shall indicate the number of Series C Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series B Preference Shares are in the Book-Based System, if the Series B Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series C Preference Shares to be converted, the Series C Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series B Preference Shares in some other name or names (the “**Series B Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series B Transferee and

such other matters as may be required by such law in order to determine the entitlement of such Series B Transferee to hold such Series B Preference Shares.

- (f) If all remaining outstanding Series C Preference Shares are to be converted into Series B Preference Shares on the applicable Series C Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series C Preference Shares that holders have not previously elected to convert shall be converted on the Series C Conversion Date into Series B Preference Shares and the holders thereof shall be deemed to be holders of Series B Preference Shares at 5:00 p.m. (Toronto time) on the Series C Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series C Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series B Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series C Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series B Preference Shares registered in the name of the holders of the Series C Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series C Preference Shares of the certificate or certificates for the Series C Preference Shares to be converted. If only a part of such Series C Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series C Conversion Notice, the Series C Preference Shares converted into Series B Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series C Preference Shares to be converted share certificates representing the Series B Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series B Preference Shares upon conversion of any Series C Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series B Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series B Preference Shares or is unable to deliver Series B Preference Shares.
- (i) The Corporation reserves the right not to deliver Series B Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series B Preference Shares, and the Corporation shall attempt to sell such Series B Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series B Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series B Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series C Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series C Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series C Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series C Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series C Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series C Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series C Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series C Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series C Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series C Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series C Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series C Preference Shares will be required to pay tax on dividends received on the Series C Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series C Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series C Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series C Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series C Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series C Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series C Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series C Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series C Preference Shares for the purposes of receiving notices or payments on or in respect of the Series C Preference Shares or the delivery of Series C Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series C Preference Shares, the cash redemption price for the Series C Preference Shares or certificates for Series B Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series C Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series C Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series C Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series C Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series C Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series C Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series C Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series C Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series C Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series C Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series C Preference Shares**

The approval of the holders of the Series C Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series C Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series C Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series C Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series C Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series C Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series C Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series C Preference Shares. Notice of any such original meeting of the holders of the Series C Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and

the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series C Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series C Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series C Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series C Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2011-11-21

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fourth series of Preference Shares of the Corporation shall consist of 18,000,000 shares designated as Cumulative Redeemable Preference Shares, Series D (the “**Series D Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series D Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series D Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.37%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series D Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series D Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.37%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series D Preference Shares to but excluding March 1, 2018;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2018;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series D Conversion Date**” means March 1, 2018, and March 1 in every fifth year thereafter;
  - (xxvi) “**Series E Preference Shares**” means the Cumulative Redeemable First Preference Shares, Series E of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2018 to but excluding March 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series D Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series D Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on March 1, 2012, and, if the Series D Preference Shares are issued on November 23, 2011, shall be in the amount of \$0.2705 per Series D Preference Share, and if the Series D Preference Shares are issued after November 23, 2011, will be an amount that is prorated to reflect the period of time for which the Series D Preference Shares are outstanding prior to March 1, 2012, with such amount being determined by multiplying \$1.00 by the number of days in the period from and including the date of issue of the Series D Preference Shares to but excluding March 1, 2012, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series D Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series D Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series D Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series D Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series D Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be

payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series D Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series D Preference Shares outstanding from time to time at any price by tender to all holders of record of Series D Preference Shares or through the facilities of any stock exchange on which the Series D Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series D Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series D Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series D Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series D Preference Shares so offered by each of the holders of Series D Preference Shares who offered shares to such tender. From and after the date of purchase of any Series D Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series D Preference Shares or any of them prior to March 1, 2018. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation, may redeem on not more than 60 days and not less than 30 days prior notice, on March 1, 2018 and on March 1 in every fifth year thereafter, the whole or, any part of the then outstanding Series D Preference Shares on payment of \$25.00 cash per Series D Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series D Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series D Preference Shares under the provisions of the foregoing paragraph 4, the following

provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series D Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series D Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series D Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series D Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series D Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series D Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series D Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series D Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series D Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series E Preference Shares**

- (a) The Series D Preference Shares shall not be convertible prior to March 1, 2018. Holders of Series D Preference Shares shall have the right to elect to convert on each Series D Conversion Date, subject to the provisions hereof, all or any of their Series D Preference Shares into Series E Preference Shares on the basis of one Series E Preference Share for each Series D Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series D Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series D Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series D Conversion Date and instructions to such holders as to the method by which

such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series D Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series D Preference Shares of the Annual Fixed Dividend Rate for the Series D Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series E Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in subparagraph 2(c) to the holders of the Series D Preference Shares of the redemption of all of the Series D Preference Shares, then the right of a holder of Series D Preference Shares to convert such Series D Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series D Preference Shares shall not be entitled to convert their shares into Series E Preference Shares if the Corporation determines that there would remain outstanding on a Series D Conversion Date less than 1,000,000 Series E Preference Shares, after having taken into account all Series D Preference Shares tendered for conversion into Series E Preference Shares and all Series E Preference Shares tendered for conversion into Series D Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series D Preference Shares at least seven days prior to the applicable Series D Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series D Conversion Date, at the expense of the Corporation, to such holders of Series D Preference Shares who have surrendered for conversion any certificate or certificates representing Series D Preference Shares, certificates representing the Series D Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series D Conversion Date less than 1,000,000 Series D Preference Shares, after having taken into account all Series D Preference Shares tendered for conversion into Series E Preference Shares and all Series E Preference Shares tendered for conversion into Series D Preference Shares, then all of the remaining outstanding Series D Preference Shares shall be converted automatically into Series E Preference Shares on the basis of one Series E Preference Share for each Series D Preference Share on the applicable Series D Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series D Preference Shares at least seven days prior to the Series D Conversion Date.
- (e) The conversion right may be exercised by a holder of Series D Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series D Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series D Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series D

Conversion Date. The Series D Conversion Notice shall indicate the number of Series D Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series E Preference Shares are in the Book-Based System, if the Series E Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series D Preference Shares to be converted, the Series D Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series E Preference Shares in some other name or names (the “**Series E Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series E Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series E Transferee to hold such Series E Preference Shares.

- (f) If all remaining outstanding Series D Preference Shares are to be converted into Series E Preference Shares on the applicable Series D Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series D Preference Shares that holders have not previously elected to convert shall be converted on the Series D Conversion Date into Series E Preference Shares and the holders thereof shall be deemed to be holders of Series E Preference Shares at 5:00 p.m. (Toronto time) on the Series D Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series D Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series E Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6, and paragraph 11, as promptly as practicable after the Series D Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series E Preference Shares registered in the name of the holders of the Series D Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series D Preference Shares of the certificate or certificates for the Series D Preference Shares to be converted. If only a part of such Series D Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series D Conversion Notice, the Series D Preference Shares converted into Series E Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series D Preference Shares to be converted share certificates representing the Series E Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series E Preference Shares upon conversion of any Series D Preference Shares shall be deferred during the continuance of any one or more of the following events:
- (i) the issuing of such Series E Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series E Preference Shares or is unable to deliver Series E Preference Shares.
- (i) The Corporation reserves the right not to deliver Series E Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series E Preference Shares, and the Corporation shall attempt to sell such Series E Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series E Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series E Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series D Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series D Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series D Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series D Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series D Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series D Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series D Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series D Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series D Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series D Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series D Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series D Preference Shares will be required to pay tax on dividends received on the Series D Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or other property) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series D Preference Shares pursuant to these share provisions shall be considered to be

the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series D Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series D Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series D Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series D Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series D Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series D Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series D Preference Shares for the purposes of receiving notices or payments on or in respect of the Series D Preference Shares or the delivery of Series D Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series D Preference Shares, the cash redemption price for the Series D Preference Shares or certificates for Series E Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series D Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series D Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series D Preference Shares and the Corporation shall

notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series D Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series D Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series D Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series D Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series D Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series D Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series D Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series D Preference Shares**

The approval of the holders of the Series D Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series D Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series D Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series D Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series D

Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series D Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series D Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series D Preference Shares. Notice of any such original meeting of the holders of the Series D Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series D Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series D Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series D Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series D Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fifth series of Preference Shares of the Corporation shall consist of 18,000,000 shares designated as Cumulative Redeemable Preference Shares, Series E (the “**Series E Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series E Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series E Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.37%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series E Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series E Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.37%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2018;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series D Preference Shares**” means the Cumulative Redeemable Preference Shares, Series D of the Corporation;
  - (xxv) “**Series E Conversion Date**” means March 1, 2023, and March 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2018 to but excluding March 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series E Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series E Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series E Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series E Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series E Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series E Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series E Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series E Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series E Preference Shares outstanding from time to time at any price by tender to all holders of record of Series E Preference Shares or through the facilities of any stock exchange on which the Series E Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series E Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series E Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series E Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series E Preference Shares so offered by each of the holders of Series E Preference Shares who offered shares to such tender. From and after the date of purchase of any Series E Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series E Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share in the case of a redemption on a Series E Conversion Date on or after March 1, 2023; or
- (b) \$25.50 per share in the case of a redemption on any other date after March 1, 2018 that is not a Series E Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series E Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series E Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series E Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series E Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series E Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series E Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series E

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series E Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series E Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series E Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series E Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series E Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series D Preference Shares**

- (a) The Series E Preference Shares shall not be convertible prior to March 1, 2023. Holders of Series E Preference Shares shall have the right to elect to convert on each Series E Conversion Date, subject to the provisions hereof, all or any of their Series E Preference Shares into Series D Preference Shares on the basis of one Series D Preference Share for each Series E Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series E Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series E Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series E Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series E Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series E Preference Shares of the Annual Fixed Dividend Rate for the Series D Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series E Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series E Preference Shares of the redemption of all of the Series E Preference Shares, then the right of a holder of Series E Preference Shares to convert such Series E Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series E Preference Shares shall not be entitled to convert their shares into Series D Preference Shares if the Corporation determines that there would remain outstanding on a Series E Conversion Date less than 1,000,000 Series D Preference Shares, after having taken into account all Series E Preference Shares tendered for conversion into Series D Preference Shares and all Series D Preference Shares tendered for conversion into Series E Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series E Preference Shares at least seven days prior to the applicable Series E Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series E Conversion Date, at the expense of the Corporation, to such holders of Series E Preference Shares who have surrendered for conversion any certificate or certificates representing Series E Preference Shares, certificates representing the Series E Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series E Conversion Date less than 1,000,000 Series E Preference Shares, after having taken into account all Series E Preference Shares tendered for conversion into Series D Preference Shares and all Series D Preference Shares tendered for conversion into Series E Preference Shares, then all of the remaining outstanding Series E Preference Shares shall be converted automatically into Series D Preference Shares on the basis of one Series D Preference Share for each Series E Preference Share on the applicable Series E Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series E Preference Shares at least seven days prior to the Series E Conversion Date.
- (e) The conversion right may be exercised by a holder of Series E Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series E Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series E Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series E Conversion Date. The Series E Conversion Notice shall indicate the number of Series E Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series D Preference Shares are in the Book-Based System, if the Series D Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series E Preference Shares to be converted, the Series E Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series D Preference Shares in some other name or names (the “**Series D Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series D Transferee and

such other matters as may be required by such law in order to determine the entitlement of such Series D Transferee to hold such Series D Preference Shares.

- (f) If all remaining outstanding Series E Preference Shares are to be converted into Series D Preference Shares on the applicable Series E Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series E Preference Shares that holders have not previously elected to convert shall be converted on the Series E Conversion Date into Series D Preference Shares and the holders thereof shall be deemed to be holders of Series D Preference Shares at 5:00 p.m. (Toronto time) on the Series E Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series E Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series D Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series E Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series D Preference Shares registered in the name of the holders of the Series E Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series E Preference Shares of the certificate or certificates for the Series E Preference Shares to be converted. If only a part of such Series E Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series E Conversion Notice, the Series E Preference Shares converted into Series D Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series E Preference Shares to be converted share certificates representing the Series D Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series D Preference Shares upon conversion of any Series E Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series D Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series D Preference Shares or is unable to deliver Series D Preference Shares.
- (i) The Corporation reserves the right not to deliver Series D Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series D Preference Shares, and the Corporation shall attempt to sell such Series D Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series D Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series D Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series E Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series E Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series E Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series E Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series E Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series E Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series E Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series E Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series E Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series E Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series E Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series E Preference Shares will be required to pay tax on dividends received on the Series E Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series E Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series E Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series E Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series E Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series E Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series E Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series E Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series E Preference Shares for the purposes of receiving notices or payments on or in respect of the Series E Preference Shares or the delivery of Series E Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series E Preference Shares, the cash redemption price for the Series E Preference Shares or certificates for Series D Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series E Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series E Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series E Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series E Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series E Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series E Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series E Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series E Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series E Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series E Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series E Preference Shares**

The approval of the holders of the Series E Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series E Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series E Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series E Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series E Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series E Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series E Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series E Preference Shares. Notice of any such original meeting of the holders of the Series E Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and

the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series E Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series E Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series E Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series E Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2012-01-16

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The sixth series of Preference Shares of the Corporation shall consist of 20,000,000 shares designated as Cumulative Redeemable Preference Shares, Series F (the “**Series F Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series F Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series F Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.51%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series F Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series F Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.51%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series F Preference Shares to but excluding June 1, 2018;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2018;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series F Conversion Date**” means June 1, 2018, and June 1 in every fifth year thereafter;
  - (xxvi) “**Series G Preference Shares**” means the Cumulative Redeemable Preference Shares, Series G of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2018 to but excluding June 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series F Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series F Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on June 1, 2012, and, if the Series F Preference Shares are issued on January 18, 2012, shall be in the amount of \$0.3699 per Series F Preference Share, and if the Series F Preference Shares are issued after January 18, 2012, will be an amount that is prorated to reflect the period of time for which the Series F Preference Shares are outstanding prior to June 1, 2012, with such amount being determined by multiplying \$1.00 by the number of days in the period from and including the date of issue of the Series F Preference Shares to but excluding June 1, 2012, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series F Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series F Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series F Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series F Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series F Preference Shares shall participate ratably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be

payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series F Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series F Preference Shares outstanding from time to time at any price by tender to all holders of record of Series F Preference Shares or through the facilities of any stock exchange on which the Series F Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series F Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series F Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series F Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series F Preference Shares so offered by each of the holders of Series F Preference Shares who offered shares to such tender. From and after the date of purchase of any Series F Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series F Preference Shares or any of them prior to June 1, 2018. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation, may redeem on not more than 60 days and not less than 30 days prior notice, on June 1, 2018 and on June 1 in every fifth year thereafter, the whole or, any part of the then outstanding Series F Preference Shares on payment of \$25.00 cash per Series F Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series F Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series F Preference Shares under the provisions of the foregoing paragraph 4, the following

provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series F Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series F Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series F Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series F Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series F Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series F Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series F Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series F Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series F Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series G Preference Shares**

- (a) The Series F Preference Shares shall not be convertible prior to June 1, 2018. Holders of Series F Preference Shares shall have the right to elect to convert on each Series F Conversion Date, subject to the provisions hereof, all or any of their Series F Preference Shares into Series G Preference Shares on the basis of one Series G Preference Share for each Series F Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series F Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series F Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series F Conversion Date and instructions to such holders as to the method by which

such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series F Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series F Preference Shares of the Annual Fixed Dividend Rate for the Series F Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series G Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in subparagraph 2(c) to the holders of the Series F Preference Shares of the redemption of all of the Series F Preference Shares, then the right of a holder of Series F Preference Shares to convert such Series F Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series F Preference Shares shall not be entitled to convert their shares into Series G Preference Shares if the Corporation determines that there would remain outstanding on a Series F Conversion Date less than 1,000,000 Series G Preference Shares, after having taken into account all Series F Preference Shares tendered for conversion into Series G Preference Shares and all Series G Preference Shares tendered for conversion into Series F Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series F Preference Shares at least seven days prior to the applicable Series F Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series F Conversion Date, at the expense of the Corporation, to such holders of Series F Preference Shares who have surrendered for conversion any certificate or certificates representing Series F Preference Shares, certificates representing the Series F Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series F Conversion Date less than 1,000,000 Series F Preference Shares, after having taken into account all Series F Preference Shares tendered for conversion into Series G Preference Shares and all Series G Preference Shares tendered for conversion into Series F Preference Shares, then all of the remaining outstanding Series F Preference Shares shall be converted automatically into Series G Preference Shares on the basis of one Series G Preference Share for each Series F Preference Share on the applicable Series F Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series F Preference Shares at least seven days prior to the Series F Conversion Date.
- (e) The conversion right may be exercised by a holder of Series F Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series F Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series F Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series F Conversion Date. The

Series F Conversion Notice shall indicate the number of Series F Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series G Preference Shares are in the Book-Based System, if the Series G Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series F Preference Shares to be converted, the Series F Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series G Preference Shares in some other name or names (the “**Series G Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series G Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series G Transferee to hold such Series G Preference Shares.

- (f) If all remaining outstanding Series F Preference Shares are to be converted into Series G Preference Shares on the applicable Series F Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series F Preference Shares that holders have not previously elected to convert shall be converted on the Series F Conversion Date into Series G Preference Shares and the holders thereof shall be deemed to be holders of Series G Preference Shares at 5:00 p.m. (Toronto time) on the Series F Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series F Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series G Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6, and paragraph 11, as promptly as practicable after the Series F Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series G Preference Shares registered in the name of the holders of the Series F Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series F Preference Shares of the certificate or certificates for the Series F Preference Shares to be converted. If only a part of such Series F Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series F Conversion Notice, the Series F Preference Shares converted into Series G Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series F Preference Shares to be converted share certificates representing the Series G Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series G Preference Shares upon conversion of any Series F Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series G Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series G Preference Shares or is unable to deliver Series G Preference Shares.
- (i) The Corporation reserves the right not to deliver Series G Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series G Preference Shares, and the Corporation shall attempt to sell such Series G Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series G Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series G Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series F Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series F Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series F Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series F Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series F Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series F Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series F Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series F Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series F Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series F Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series F Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series F Preference Shares will be required to pay tax on dividends received on the Series F Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or other property) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series F Preference Shares pursuant to these share provisions shall be considered to be

the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series F Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series F Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series F Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series F Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series F Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series F Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series F Preference Shares for the purposes of receiving notices or payments on or in respect of the Series F Preference Shares or the delivery of Series F Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series F Preference Shares, the cash redemption price for the Series F Preference Shares or certificates for Series G Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series F Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series F Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series F Preference Shares and the Corporation shall

notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series F Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series F Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series F Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series F Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series F Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series F Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series F Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series F Preference Shares**

The approval of the holders of the Series F Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series F Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series F Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series F Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series F Preference

Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series F Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series F Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series F Preference Shares. Notice of any such original meeting of the holders of the Series F Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series F Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series F Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series F Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series F Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The seventh series of Preference Shares of the Corporation shall consist of 20,000,000 shares designated as Cumulative Redeemable Preference Shares, Series G (the “**Series G Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series G Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series G Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.51 %;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series G Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series G Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.51%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2018;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series F Preference Shares**” means the Cumulative Redeemable Preference Shares, Series F of the Corporation;
  - (xxv) “**Series G Conversion Date**” means June 1, 2023, and June 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2018 to but excluding June 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series G Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series G Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series G Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series G Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series G Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series G Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series G Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series G Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series G Preference Shares outstanding from time to time at any price by tender to all holders of record of Series G Preference Shares or through the facilities of any stock exchange on which the Series G Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series G Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series G Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series G Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series G Preference Shares so offered by each of the holders of Series G Preference Shares who offered shares to such tender. From and after the date of purchase of any Series G Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series G Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series G Conversion Date on or after June 1, 2023; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after June 1, 2018 that is not a Series G Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series G Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series G Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series G Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series G Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series G Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series G Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series G

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series G Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series G Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series G Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series G Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series G Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series F Preference Shares**

- (a) The Series G Preference Shares shall not be convertible prior to June 1, 2023. Holders of Series G Preference Shares shall have the right to elect to convert on each Series G Conversion Date, subject to the provisions hereof, all or any of their Series G Preference Shares into Series F Preference Shares on the basis of one Series F Preference Share for each Series G Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series G Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series G Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series G Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series G Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series G Preference Shares of the Annual Fixed Dividend Rate for the Series F Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series G Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series G Preference Shares of the redemption of all of the Series G Preference Shares, then the right of a holder of Series G Preference Shares to convert such Series G Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series G Preference Shares shall not be entitled to convert their shares into Series F Preference Shares if the Corporation determines that there would remain outstanding on a Series G Conversion Date less than 1,000,000 Series F Preference Shares, after having taken into account all Series G Preference Shares tendered for conversion into Series F Preference Shares and all Series F Preference Shares tendered for conversion into Series G Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series G Preference Shares at least seven days prior to the applicable Series G Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series G Conversion Date, at the expense of the Corporation, to such holders of Series G Preference Shares who have surrendered for conversion any certificate or certificates representing Series G Preference Shares, certificates representing the Series G Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series G Conversion Date less than 1,000,000 Series G Preference Shares, after having taken into account all Series G Preference Shares tendered for conversion into Series F Preference Shares and all Series F Preference Shares tendered for conversion into Series G Preference Shares, then all of the remaining outstanding Series G Preference Shares shall be converted automatically into Series F Preference Shares on the basis of one Series F Preference Share for each Series G Preference Share on the applicable Series G Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series G Preference Shares at least seven days prior to the Series G Conversion Date.
- (e) The conversion right may be exercised by a holder of Series G Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series G Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series G Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series G Conversion Date. The Series G Conversion Notice shall indicate the number of Series G Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series F Preference Shares are in the Book-Based System, if the Series F Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series G Preference Shares to be converted, the Series G Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series F Preference Shares in some other name or names (the “**Series F Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series F Transferee and

such other matters as may be required by such law in order to determine the entitlement of such Series F Transferee to hold such Series F Preference Shares.

- (f) If all remaining outstanding Series G Preference Shares are to be converted into Series F Preference Shares on the applicable Series G Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series G Preference Shares that holders have not previously elected to convert shall be converted on the Series G Conversion Date into Series F Preference Shares and the holders thereof shall be deemed to be holders of Series F Preference Shares at 5:00 p.m. (Toronto time) on the Series G Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series G Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series F Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series G Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series F Preference Shares registered in the name of the holders of the Series G Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series G Preference Shares of the certificate or certificates for the Series G Preference Shares to be converted. If only a part of such Series G Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series G Conversion Notice, the Series G Preference Shares converted into Series F Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series G Preference Shares to be converted share certificates representing the Series F Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series F Preference Shares upon conversion of any Series G Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series F Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series F Preference Shares or is unable to deliver Series F Preference Shares.
- (i) The Corporation reserves the right not to deliver Series F Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series F Preference Shares, and the Corporation shall attempt to sell such Series F Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series F Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series F Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series G Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series G Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series G Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series G Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series G Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series G Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series G Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series G Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series G Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series G Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series G Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series G Preference Shares will be required to pay tax on dividends received on the Series G Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series G Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series G Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series G Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series G Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series G Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series G Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series G Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series G Preference Shares for the purposes of receiving notices or payments on or in respect of the Series G Preference Shares or the delivery of Series G Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series G Preference Shares, the cash redemption price for the Series G Preference Shares or certificates for Series F Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series G Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series G Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series G Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series G Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series G Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series G Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series G Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series G Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series G Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series G Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series G Preference Shares**

The approval of the holders of the Series G Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series G Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series G Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series G Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series G Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series G Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series G Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series G Preference Shares. Notice of any such original meeting of the holders of the Series G Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and

the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series G Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series G Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series G Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series G Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2012-03-27

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The eighth series of Preference Shares of the Corporation shall consist of 14,000,000 shares designated as Cumulative Redeemable Preference Shares, Series H (the “**Series H Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series H Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series H Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.12%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series H Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series H Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.12%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series H Preference Shares to but excluding September 1, 2018;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing September 1, 2018;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series H Conversion Date**” means September 1, 2018, and September 1 in every fifth year thereafter;
  - (xxvi) “**Series I Preference Shares**” means the Cumulative Redeemable Preference Shares, Series I of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including September 1, 2018 to but excluding September 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding September 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series H Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series H Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on September 1, 2012, and, if the Series H Preference Shares are issued on March 29, 2012, shall be in the amount of \$0.4247 per Series H Preference Share, and if the Series H Preference Shares are issued after March 29, 2012, will be an amount that is prorated to reflect the period of time for which the Series H Preference Shares are outstanding prior to September 1, 2012, with such amount being determined by multiplying \$1.00 by the number of days in the period from and including the date of issue of the Series H Preference Shares to but excluding September 1, 2012, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series H Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series H Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series H Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series H Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series H Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends,

including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series H Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series H Preference Shares outstanding from time to time at any price by tender to all holders of record of Series H Preference Shares or through the facilities of any stock exchange on which the Series H Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series H Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series H Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series H Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series H Preference Shares so offered by each of the holders of Series H Preference Shares who offered shares to such tender. From and after the date of purchase of any Series H Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series H Preference Shares or any of them prior to September 1, 2018. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on September 1, 2018 and on September 1 in every fifth year thereafter, the whole or any part of the then outstanding Series H Preference Shares on payment of \$25.00 cash per Series H Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series H Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series H Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series H Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series H Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series H Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series H Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series H Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series H Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series H Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series H Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series H Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series I Preference Shares**

- (a) The Series H Preference Shares shall not be convertible prior to September 1, 2018. Holders of Series H Preference Shares shall have the right to elect to convert on each Series H Conversion Date, subject to the provisions hereof, all or any of their Series H Preference Shares into Series I Preference Shares on the basis of one Series I Preference Share for each Series H Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series H

Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series H Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series H Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series H Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series H Preference Shares of the Annual Fixed Dividend Rate for the Series H Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series I Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in subparagraph 2(c) to the holders of the Series H Preference Shares of the redemption of all of the Series H Preference Shares, then the right of a holder of Series H Preference Shares to convert such Series H Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series H Preference Shares shall not be entitled to convert their shares into Series I Preference Shares if the Corporation determines that there would remain outstanding on a Series H Conversion Date less than 1,000,000 Series I Preference Shares, after having taken into account all Series H Preference Shares tendered for conversion into Series I Preference Shares and all Series I Preference Shares tendered for conversion into Series H Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series H Preference Shares at least seven days prior to the applicable Series H Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series H Conversion Date, at the expense of the Corporation, to such holders of Series H Preference Shares who have surrendered for conversion any certificate or certificates representing Series H Preference Shares, certificates representing the Series H Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series H Conversion Date less than 1,000,000 Series H Preference Shares, after having taken into account all Series H Preference Shares tendered for conversion into Series I Preference Shares and all Series I Preference Shares tendered for conversion into Series H Preference Shares, then all of the remaining outstanding Series H Preference Shares shall be converted automatically into Series I Preference Shares on the basis of one Series I Preference Share for each Series H Preference Share on the applicable Series H Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series H Preference Shares at least seven days prior to the Series H Conversion Date.
- (e) The conversion right may be exercised by a holder of Series H Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series H**

**Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series H Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series H Conversion Date. The Series H Conversion Notice shall indicate the number of Series H Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series I Preference Shares are in the Book-Based System, if the Series I Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series H Preference Shares to be converted, the Series H Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series I Preference Shares in some other name or names (the “**Series I Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series I Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series I Transferee to hold such Series I Preference Shares.

- (f) If all remaining outstanding Series H Preference Shares are to be converted into Series I Preference Shares on the applicable Series H Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series H Preference Shares that holders have not previously elected to convert shall be converted on the Series H Conversion Date into Series I Preference Shares and the holders thereof shall be deemed to be holders of Series I Preference Shares at 5:00 p.m. (Toronto time) on the Series H Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series H Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series I Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6, and paragraph 11, as promptly as practicable after the Series H Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series I Preference Shares registered in the name of the holders of the Series H Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series H Preference Shares of the certificate or certificates for the Series H Preference Shares to be converted. If only a part of such Series H Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series H Conversion Notice, the Series H Preference Shares converted into Series I Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of

the Series H Preference Shares to be converted share certificates representing the Series I Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series I Preference Shares upon conversion of any Series H Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series I Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series I Preference Shares or is unable to deliver Series I Preference Shares.
- (i) The Corporation reserves the right not to deliver Series I Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series I Preference Shares, and the Corporation shall attempt to sell such Series I Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series I Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series I Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series H Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series H Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series H Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series H Preference Shares of the amount so payable to them,

they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series H Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series H Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series H Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series H Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series H Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series H Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series H Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series H Preference Shares will be required to pay tax on dividends received on the Series H Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or other property) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of

such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series H Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series H Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series H Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series H Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series H Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series H Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series H Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series H Preference Shares for the purposes of receiving notices or payments on or in respect of the Series H Preference Shares or the delivery of Series H Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series H Preference Shares, the cash redemption price for the Series H Preference Shares or certificates for Series I Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series H Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is

required by applicable law, to withdraw the Series H Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series H Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series H Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series H Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series H Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series H Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series H Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series H Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series H Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series H Preference Shares**

The approval of the holders of the Series H Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series H Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series H Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not

less than a majority of all Series H Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series H Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series H Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series H Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series H Preference Shares. Notice of any such original meeting of the holders of the Series H Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series H Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series H Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series H Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series H Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The ninth series of Preference Shares of the Corporation shall consist of 14,000,000 shares designated as Cumulative Redeemable Preference Shares, Series I (the “**Series I Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series I Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series I Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.12 %;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series I Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series I Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.12%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing September 1, 2018;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series H Preference Shares**” means the Cumulative Redeemable Preference Shares, Series H of the Corporation;
  - (xxv) “**Series I Conversion Date**” means September 1, 2023, and September 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including September 1, 2018 to but excluding September 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding September 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series I Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series I Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series I Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series I Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series I Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series I Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series I Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series I Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series I Preference Shares outstanding from time to time at any price by tender to all holders of record of Series I Preference Shares or through the facilities of any stock exchange on which the Series I Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series I Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series I Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series I Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series I Preference Shares so offered by each of the holders of Series I Preference Shares who offered shares to such tender. From and after the date of purchase of any Series I Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series I Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series I Conversion Date on or after September 1, 2023; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after September 1, 2018 that is not a Series I Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series I Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series I Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series I Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series I Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series I Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series I Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series I Preference Shares called for

redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series I Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series I Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series I Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series I Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series I Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series H Preference Shares**

- (a) The Series I Preference Shares shall not be convertible prior to September 1, 2023. Holders of Series I Preference Shares shall have the right to elect to convert on each Series I Conversion Date, subject to the provisions hereof, all or any of their Series I Preference Shares into Series H Preference Shares on the basis of one Series H Preference Share for each Series I Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series I Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series I Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series I Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series I Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series I Preference Shares of the Annual Fixed Dividend Rate for the Series H Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series I Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series I Preference Shares of the redemption of all of the Series I Preference Shares, then the right of a holder of Series I Preference Shares to convert such Series I Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series I Preference Shares shall not be entitled to convert their shares into Series H Preference Shares if the Corporation determines that there would remain outstanding on a Series I Conversion Date less than 1,000,000 Series H Preference Shares, after having taken into account all Series I Preference Shares tendered for conversion into Series H Preference Shares and all Series H Preference Shares tendered for conversion into Series I Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series I Preference Shares at least seven days prior to the applicable Series I Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series I Conversion Date, at the expense of the Corporation, to such holders of Series I Preference Shares who have surrendered for conversion any certificate or certificates representing Series I Preference Shares, certificates representing the Series I Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series I Conversion Date less than 1,000,000 Series I Preference Shares, after having taken into account all Series I Preference Shares tendered for conversion into Series H Preference Shares and all Series H Preference Shares tendered for conversion into Series I Preference Shares, then all of the remaining outstanding Series I Preference Shares shall be converted automatically into Series H Preference Shares on the basis of one Series H Preference Share for each Series I Preference Share on the applicable Series I Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series I Preference Shares at least seven days prior to the Series I Conversion Date.
- (e) The conversion right may be exercised by a holder of Series I Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series I Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series I Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series I Conversion Date. The Series I Conversion Notice shall indicate the number of Series I Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series H Preference Shares are in the Book-Based System, if the Series H Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series I Preference Shares to be converted, the Series I Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series H Preference Shares in some other name or names (the “**Series H Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series H Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series H Transferee to hold such Series H Preference Shares.

- (f) If all remaining outstanding Series I Preference Shares are to be converted into Series H Preference Shares on the applicable Series I Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series I Preference Shares that holders have not previously elected to convert shall be converted on the Series I Conversion Date into Series H Preference Shares and the holders thereof shall be deemed to be holders of Series H Preference Shares at 5:00 p.m. (Toronto time) on the Series I Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series I Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series H Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series I Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series H Preference Shares registered in the name of the holders of the Series I Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series I Preference Shares of the certificate or certificates for the Series I Preference Shares to be converted. If only a part of such Series I Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series I Conversion Notice, the Series I Preference Shares converted into Series H Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series I Preference Shares to be converted share certificates representing the Series H Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series H Preference Shares upon conversion of any Series I Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series H Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series H Preference Shares or is unable to deliver Series H Preference Shares.
- (i) The Corporation reserves the right not to deliver Series H Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of

any such person, all or the relevant number of Series H Preference Shares, and the Corporation shall attempt to sell such Series H Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series H Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series H Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series I Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series I Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series I Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series I Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series I Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series I Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series I Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series I Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series I Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series I Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series I Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series I Preference Shares will be required to pay tax on dividends received on the Series I Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series I Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series I Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series I Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series I Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of "CDS & Co." (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of

ownership, transfers, surrenders and conversions of Series I Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series I Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder's ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series I Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series I Preference Shares for the purposes of receiving notices or payments on or in respect of the Series I Preference Shares or the delivery of Series I Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series I Preference Shares, the cash redemption price for the Series I Preference Shares or certificates for Series H Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Series I Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series I Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series I Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series I Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series I Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series I Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series I Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series I Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series I Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series I Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series I Preference Shares**

The approval of the holders of the Series I Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series I Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series I Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series I Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series I Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series I Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series I Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series I Preference Shares. Notice of any such original meeting of the holders of the Series I Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series I Preference Shares present in person or represented by proxy shall be entitled to one one-

hundredth of a vote in respect of each dollar of the issue price for each of the Series I Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series I Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series I Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2012-04-16

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

**SCHEDULE “A” TO ARTICLES OF AMENDMENT OF  
ENBRIDGE INC.**

The tenth series of Preference Shares of the Corporation shall consist of 8,000,000 shares designated as Cumulative Redeemable Preference Shares, Series J (the “**Series J Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series J Preference Shares shall be as follows:

**1. Interpretation**

- (a) In these Series J Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the United States Government Bond Yield on the applicable Fixed Rate Calculation Date and 3.05%;
  - (ii) “**Bloomberg Screen USGG5YR Page**” means the display designated as page “USGG5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the USGG5YR <INDEX> page on that service or its successor service) for purposes of displaying United States Government Bond Yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series J Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in each of Calgary, Alberta, Toronto, Ontario and the United States of America;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series J Preference Shares;

- (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.05%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series J Preference Shares to but excluding June 1, 2017;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2017;
- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;

- (xxiv) “**Series J Conversion Date**” means June 1, 2017, and June 1 in every fifth year thereafter;
  - (xxv) “**Series K Preference Shares**” means the Cumulative Redeemable Preference Shares, Series K of the Corporation;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2017 to but excluding June 1, 2022, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof;
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month United States Government treasury bills, as reported by the United States Treasury, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date; and
  - (xxix) “**United States Government Bond Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a United States dollar denominated non-callable United States treasury bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen USGG5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen USGG5YR Page on such date, then the United States Government Bond Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable United States Government bond would carry if issued, in United States dollars, at 100% of its principal amount on such date with a term to maturity of five years.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series J Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series J Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly

applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of US\$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation). The first dividend, if declared, shall be payable on September 1, 2012, and, if the Series J Preference Shares are issued on April 19, 2012, shall be in the amount of US\$0.3699 per Series J Preference Share, and if the Series J Preference Shares are issued after April 19, 2012, will be an amount that is prorated to reflect the period of time for which the Series J Preference Shares are outstanding prior to September 1, 2012, with such amount being determined by multiplying US\$1.00 by the number of days in the period from and including the date of issue of the Series J Preference Shares to but excluding September 1, 2012, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series J Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by US\$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series J Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series J Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series J Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full,

the Series J Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series J Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series J Preference Shares outstanding from time to time at any price by tender to all holders of record of Series J Preference Shares or through the facilities of any stock exchange on which the Series J Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series J Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series J Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series J Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series J Preference Shares so offered by each of the holders of Series J Preference Shares who offered shares to such tender. From and after the date of purchase of any Series J Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series J Preference Shares or any of them prior to June 1, 2017. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on June 1, 2017 and on June 1 in every fifth year thereafter, the whole or any part of the then outstanding Series J Preference Shares on payment of US\$25.00 cash per Series J Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series J Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series J Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series J Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series J Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series J Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series J Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada. Such Series J Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series J Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series J Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series J Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series J Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series K Preference Shares**

- (a) The Series J Preference Shares shall not be convertible prior to June 1, 2017. Holders of Series J Preference Shares shall have the right to elect to convert on each Series J Conversion Date, subject to the provisions hereof, all or any of their Series J Preference Shares into Series K Preference Shares on the basis of one Series K Preference Share for each Series J Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series J

Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series J Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series J Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series J Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series J Preference Shares of the Annual Fixed Dividend Rate for the Series J Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series K Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in subparagraph 2(c) to the holders of the Series J Preference Shares of the redemption of all of the Series J Preference Shares, then the right of a holder of Series J Preference Shares to convert such Series J Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series J Preference Shares shall not be entitled to convert their shares into Series K Preference Shares if the Corporation determines that there would remain outstanding on a Series J Conversion Date less than 1,000,000 Series K Preference Shares, after having taken into account all Series J Preference Shares tendered for conversion into Series K Preference Shares and all Series K Preference Shares tendered for conversion into Series J Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series J Preference Shares at least seven days prior to the applicable Series J Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series J Conversion Date, at the expense of the Corporation, to such holders of Series J Preference Shares who have surrendered for conversion any certificate or certificates representing Series J Preference Shares, certificates representing the Series J Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series J Conversion Date less than 1,000,000 Series J Preference Shares, after having taken into account all Series J Preference Shares tendered for conversion into Series K Preference Shares and all Series K Preference Shares tendered for conversion into Series J Preference Shares, then all of the remaining outstanding Series J Preference Shares shall be converted automatically into Series K Preference Shares on the basis of one Series K Preference Share for each Series J Preference Share on the applicable Series J Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series J Preference Shares at least seven days prior to the Series J Conversion Date.
- (e) The conversion right may be exercised by a holder of Series J Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series J Conversion**

**Notice**”), which notice must be received by the transfer agent and registrar for the Series J Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series J Conversion Date. The Series J Conversion Notice shall indicate the number of Series J Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series K Preference Shares are in the Book-Based System, if the Series K Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series J Preference Shares to be converted, the Series J Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series K Preference Shares in some other name or names (the “**Series K Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series K Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series K Transferee to hold such Series K Preference Shares.

- (f) If all remaining outstanding Series J Preference Shares are to be converted into Series K Preference Shares on the applicable Series J Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series J Preference Shares that holders have not previously elected to convert shall be converted on the Series J Conversion Date into Series K Preference Shares and the holders thereof shall be deemed to be holders of Series K Preference Shares at 5:00 p.m. (Toronto time) on the Series J Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series J Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series K Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6, and paragraph 11, as promptly as practicable after the Series J Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series K Preference Shares registered in the name of the holders of the Series J Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series J Preference Shares of the certificate or certificates for the Series J Preference Shares to be converted. If only a part of such Series J Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series J Conversion Notice, the Series J Preference Shares converted into Series K Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of

the Series J Preference Shares to be converted share certificates representing the Series K Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series K Preference Shares upon conversion of any Series J Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series K Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series K Preference Shares or is unable to deliver Series K Preference Shares.
- (i) The Corporation reserves the right not to deliver Series K Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series K Preference Shares, and the Corporation shall attempt to sell such Series K Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series K Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series K Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series J Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive US\$25.00 per Series J Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series J Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series J Preference Shares of the amount so payable to them,

they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series J Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series J Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series J Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series J Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series J Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series J Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series J Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series J Preference Shares will be required to pay tax on dividends received on the Series J Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or other property) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of

such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series J Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series J Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series J Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series J Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series J Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series J Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series J Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series J Preference Shares for the purposes of receiving notices or payments on or in respect of the Series J Preference Shares or the delivery of Series J Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series J Preference Shares, the cash redemption price for the Series J Preference Shares or certificates for Series K Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series J Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is

required by applicable law, to withdraw the Series J Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series J Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series J Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series J Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series J Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series J Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series J Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series J Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series J Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series J Preference Shares**

The approval of the holders of the Series J Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series J Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series J Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not

less than a majority of all Series J Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series J Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series J Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series J Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series J Preference Shares. Notice of any such original meeting of the holders of the Series J Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series J Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series J Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series J Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series J Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The eleventh series of Preference Shares of the Corporation shall consist of 8,000,000 shares designated as Cumulative Redeemable Preference Shares, Series K (the “**Series K Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series K Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series K Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the United States Government Bond Yield on the applicable Fixed Rate Calculation Date and 3.05 %;
  - (ii) “**Bloomberg Screen USGG5YR Page**” means the display designated as page “USGG5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the USGG5YR <INDEX> page on that service or its successor service) for purposes of displaying United States Government Bond Yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series K Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in each of Calgary, Alberta, Toronto, Ontario and the United States of America;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series K Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.05%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvi) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xvii) “**Participants**” means the participants in the Book-Based System;
- (xviii) “**Preference Shares**” means the preference shares of the Corporation;
- (xix) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xx) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxi) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2017;
- (xxii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
- (xxiii) “**Series J Preference Shares**” means the Cumulative Redeemable Preference Shares, Series J of the Corporation;
- (xxiv) “**Series K Conversion Date**” means June 1, 2022, and June 1, in every fifth year thereafter;

- (xxv) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2017 to but excluding June 1, 2022, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxvi) “**System Operator**” means CDS or its nominee or any successor thereof;
  - (xxvii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month United States Government treasury bills, as reported by the United States Treasury, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date; and
  - (xxviii) “**United States Government Bond Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a United States dollar denominated non-callable United States treasury bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen USGG5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen USGG5YR Page on such date, then the United States Government Bond Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable United States Government bond would carry if issued, in United States dollars, at 100% of its principal amount on such date with a term to maturity of five years.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series K Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series K Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by US\$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the

denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series K Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series K Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series K Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series K Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series K Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series K Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out

of capital or otherwise, the whole or any part of the Series K Preference Shares outstanding from time to time at any price by tender to all holders of record of Series K Preference Shares or through the facilities of any stock exchange on which the Series K Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series K Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series K Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series K Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series K Preference Shares so offered by each of the holders of Series K Preference Shares who offered shares to such tender. From and after the date of purchase of any Series K Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series K Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) US\$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series K Conversion Date on or after June 1, 2022; or
- (b) the Redemption Amount plus US\$0.50 per share in the case of a redemption on any other date after June 1, 2017 that is not a Series K Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series K Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series K Preference Share is US\$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series K Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series K Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series K Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place

and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series K Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series K Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada. Such Series K Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series K Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series K Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series K Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series K Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series J Preference Shares**

- (a) The Series K Preference Shares shall not be convertible prior to June 1, 2022. Holders of Series K Preference Shares shall have the right to elect to convert on each Series K Conversion Date, subject to the provisions hereof, all or any of their Series K Preference Shares into Series J Preference Shares on the basis of one Series J Preference Share for each Series K Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series K Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series K Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series K Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series K Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series K Preference Shares of the Annual Fixed Dividend Rate for the Series J Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series K Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series K Preference Shares of the redemption of all of the Series K Preference Shares, then the right of a holder of Series K Preference Shares to convert such Series K Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series K Preference Shares shall not be entitled to convert their shares into Series J Preference Shares if the Corporation determines that there would remain outstanding on a Series K Conversion Date less than 1,000,000 Series J Preference Shares, after having taken into account all Series K Preference Shares tendered for conversion into Series J Preference Shares and all Series J Preference Shares tendered for conversion into Series K Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series K Preference Shares at least seven days prior to the applicable Series K Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series K Conversion Date, at the expense of the Corporation, to such holders of Series K Preference Shares who have surrendered for conversion any certificate or certificates representing Series K Preference Shares, certificates representing the Series K Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series K Conversion Date less than 1,000,000 Series K Preference Shares, after having taken into account all Series K Preference Shares tendered for conversion into Series J Preference Shares and all Series J Preference Shares tendered for conversion into Series K Preference Shares, then all of the remaining outstanding Series K Preference Shares shall be converted automatically into Series J Preference Shares on the basis of one Series J Preference Share for each Series K Preference Share on the applicable Series K Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series K Preference Shares at least seven days prior to the Series K Conversion Date.
- (e) The conversion right may be exercised by a holder of Series K Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series K Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series K Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series K Conversion Date. The Series K Conversion Notice shall indicate the number of Series K Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series J Preference Shares are in the Book-Based System, if the Series J Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series K Preference Shares to be converted, the Series K Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar

directing the Corporation to register the Series J Preference Shares in some other name or names (the “**Series J Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series J Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series J Transferee to hold such Series J Preference Shares.

- (f) If all remaining outstanding Series K Preference Shares are to be converted into Series J Preference Shares on the applicable Series K Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series K Preference Shares that holders have not previously elected to convert shall be converted on the Series K Conversion Date into Series J Preference Shares and the holders thereof shall be deemed to be holders of Series J Preference Shares at 5:00 p.m. (Toronto time) on the Series K Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series K Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series J Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series K Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series J Preference Shares registered in the name of the holders of the Series K Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series K Preference Shares of the certificate or certificates for the Series K Preference Shares to be converted. If only a part of such Series K Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series K Conversion Notice, the Series K Preference Shares converted into Series J Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series K Preference Shares to be converted share certificates representing the Series J Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series J Preference Shares upon conversion of any Series K Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series J Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series J Preference Shares or is unable to deliver Series J Preference Shares.

- (i) The Corporation reserves the right not to deliver Series J Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series J Preference Shares, and the Corporation shall attempt to sell such Series J Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series J Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series J Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series K Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive US\$25.00 per Series K Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series K Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series K Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series K Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series K Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series K Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series K Preference Shares) on the

Common Shares or any other shares of the Corporation ranking junior to the Series K Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series K Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series K Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series K Preference Shares will be required to pay tax on dividends received on the Series K Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series K Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series K Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series K Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series K Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series K Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series K Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series K Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series K Preference Shares for the purposes of receiving notices or payments on or in respect of the Series K Preference Shares or the delivery of Series K Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series K Preference Shares, the cash redemption price for the Series K Preference Shares or certificates for Series J Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series K Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series K Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series K Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series K Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the

Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series K Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series K Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series K Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series K Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series K Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series K Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series K Preference Shares**

The approval of the holders of the Series K Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series K Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series K Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series K Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series K Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series K Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series K Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series K Preference Shares.

Notice of any such original meeting of the holders of the Series K Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series K Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series K Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series K Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series K Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2012-05-17

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

**SCHEDULE “A” TO ARTICLES OF AMENDMENT OF  
ENBRIDGE INC.**

The twelfth series of Preference Shares of the Corporation shall consist of 16,000,000 shares designated as Cumulative Redeemable Preference Shares, Series L (the “**Series L Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series L Preference Shares shall be as follows:

**1. Interpretation**

- (a) In these Series L Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the United States Government Bond Yield on the applicable Fixed Rate Calculation Date and 3.15%;
  - (ii) “**Bloomberg Screen USGG5YR Page**” means the display designated as page “USGG5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the USGG5YR <INDEX> page on that service or its successor service) for purposes of displaying United States Government Bond Yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series L Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in each of Calgary, Alberta, Toronto, Ontario and the United States of America;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series L Preference Shares;

- (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.15%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series L Preference Shares to but excluding September 1, 2017;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing September 1, 2017;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series L Conversion Date**” means September 1, 2017, and September 1 in every fifth year thereafter;
  - (xxv) “**Series M Preference Shares**” means the Cumulative Redeemable Preference Shares, Series M of the Corporation;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including September 1, 2017 to but excluding September 1, 2022, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding September 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof;
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month United States Government treasury bills, as reported by the United States Treasury, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date; and
  - (xxix) “**United States Government Bond Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a United States dollar denominated non-callable United States treasury bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen USGG5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen USGG5YR Page on such date, then the United States Government Bond Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable United States Government bond would carry if issued, in United States dollars, at 100% of its principal amount on such date with a term to maturity of five years.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series L Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series L Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of US\$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation). The first dividend, if declared, shall be payable on September 1, 2012, and, if the Series L Preference Shares are issued on May 23, 2012, shall be in the amount of US\$0.2767 per Series L Preference Share, and if the Series L Preference Shares are issued after May 23, 2012, will be an amount that is prorated to reflect the period of time for which the Series L Preference Shares are outstanding prior to September 1, 2012, with such amount being determined by multiplying US\$1.00 by the number of days in the period from and including the date of issue of the Series L Preference Shares to but excluding September 1, 2012, and dividing that product by 365.
- (b) During each Subsequent Fixed Rate Period, the holders of the Series L Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by US\$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series L Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series L Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series L Preference Shares then issued and outstanding, such

dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series L Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series L Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series L Preference Shares outstanding from time to time at any price by tender to all holders of record of Series L Preference Shares or through the facilities of any stock exchange on which the Series L Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series L Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series L Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series L Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series L Preference Shares so offered by each of the holders of Series L Preference Shares who offered shares to such tender. From and after the date of purchase of any Series L Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series L Preference Shares or any of them prior to September 1, 2017. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on September 1, 2017 and on September 1 in every fifth year thereafter, the whole or any part of the then outstanding Series L Preference Shares on payment of US\$25.00 cash per Series L Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such

redemption. Subject as aforesaid, if only part of the then outstanding Series L Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series L Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series L Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series L Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series L Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series L Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada. Such Series L Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series L Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series L Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series L Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series L Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## 6. Conversion into Series M Preference Shares

- (a) The Series L Preference Shares shall not be convertible prior to September 1, 2017. Holders of Series L Preference Shares shall have the right to elect to convert on each Series L Conversion Date, subject to the provisions hereof, all or any of their Series L Preference Shares into Series M Preference Shares on the basis of one Series M Preference Share for each Series L Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series L Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series L Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series L Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series L Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series L Preference Shares of the Annual Fixed Dividend Rate for the Series L Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series M Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series L Preference Shares of the redemption of all of the Series L Preference Shares, then the right of a holder of Series L Preference Shares to convert such Series L Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series L Preference Shares shall not be entitled to convert their shares into Series M Preference Shares if the Corporation determines that there would remain outstanding on a Series L Conversion Date less than 1,000,000 Series M Preference Shares, after having taken into account all Series L Preference Shares tendered for conversion into Series M Preference Shares and all Series M Preference Shares tendered for conversion into Series L Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series L Preference Shares at least seven days prior to the applicable Series L Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series L Conversion Date, at the expense of the Corporation, to such holders of Series L Preference Shares who have surrendered for conversion any certificate or certificates representing Series L Preference Shares, certificates representing the Series L Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series L Conversion Date less than 1,000,000 Series L Preference Shares, after having taken into account all Series L Preference Shares tendered for conversion into Series M Preference Shares and all Series M Preference Shares tendered for conversion into Series L Preference Shares, then all of the remaining outstanding Series L Preference Shares shall be converted automatically into Series M Preference Shares on the basis

of one Series M Preference Share for each Series L Preference Share on the applicable Series L Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series L Preference Shares at least seven days prior to the Series L Conversion Date.

- (e) The conversion right may be exercised by a holder of Series L Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series L Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series L Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series L Conversion Date. The Series L Conversion Notice shall indicate the number of Series L Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series M Preference Shares are in the Book-Based System, if the Series M Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series L Preference Shares to be converted, the Series L Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series M Preference Shares in some other name or names (the “**Series M Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series M Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series M Transferee to hold such Series M Preference Shares.
- (f) If all remaining outstanding Series L Preference Shares are to be converted into Series M Preference Shares on the applicable Series L Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series L Preference Shares that holders have not previously elected to convert shall be converted on the Series L Conversion Date into Series M Preference Shares and the holders thereof shall be deemed to be holders of Series M Preference Shares at 5:00 p.m. (Toronto time) on the Series L Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series L Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series M Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series L Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series M Preference Shares registered in the name of the holders of the Series L Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series L Preference Shares of the certificate or certificates for the Series L Preference Shares to be

converted. If only a part of such Series L Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series L Conversion Notice, the Series L Preference Shares converted into Series M Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series L Preference Shares to be converted share certificates representing the Series M Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series M Preference Shares upon conversion of any Series L Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series M Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series M Preference Shares or is unable to deliver Series M Preference Shares.
- (i) The Corporation reserves the right not to deliver Series M Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series M Preference Shares, and the Corporation shall attempt to sell such Series M Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series M Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series M Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series L Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive US\$25.00 per Series L Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period

from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series L Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series L Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series L Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series L Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series L Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series L Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series L Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series L Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series L Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series L Preference Shares will be required to pay tax on dividends received on the Series L Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series L Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series L Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series L Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series L Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of "CDS & Co." (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series L Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series L Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder's ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series L Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series L Preference Shares for the purposes of receiving notices or payments on or in respect of the Series L Preference Shares or the delivery of Series L

Preference Shares and certificates therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series L Preference Shares, the cash redemption price for the Series L Preference Shares or certificates for Series M Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Series L Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series L Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series L Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series L Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series L Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series L Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series L Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series L Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series L Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series L Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such

holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Series L Preference Shares**

The approval of the holders of the Series L Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series L Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series L Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series L Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series L Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series L Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series L Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series L Preference Shares. Notice of any such original meeting of the holders of the Series L Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series L Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series L Preference Shares held by such holder.

### **14. Amendments**

The provisions attaching to the Series L Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series L Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirteenth series of Preference Shares of the Corporation shall consist of 16,000,000 shares designated as Cumulative Redeemable Preference Shares, Series M (the “**Series M Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series M Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series M Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the United States Government Bond Yield on the applicable Fixed Rate Calculation Date and 3.15 %;
  - (ii) “**Bloomberg Screen USGG5YR Page**” means the display designated as page “USGG5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the USGG5YR <INDEX> page on that service or its successor service) for purposes of displaying United States Government Bond Yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series M Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in each of Calgary, Alberta, Toronto, Ontario and the United States of America;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series M Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.15%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvi) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xvii) “**Participants**” means the participants in the Book-Based System;
- (xviii) “**Preference Shares**” means the preference shares of the Corporation;
- (xix) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xx) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxi) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing September 1, 2017;
- (xxii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
- (xxiii) “**Series L Preference Shares**” means the Cumulative Redeemable Preference Shares, Series L of the Corporation;
- (xxiv) “**Series M Conversion Date**” means September 1, 2022, and September 1, in every fifth year thereafter;

(xxv) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including September 1, 2017 to but excluding September 1, 2022, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding September 1, in the fifth year thereafter;

(xxvi) “**System Operator**” means CDS or its nominee or any successor thereof;

(xxvii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month United States Government treasury bills, as reported by the United States Treasury, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date; and

(xxviii) “**United States Government Bond Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a United States dollar denominated non-callable United States treasury bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen USGG5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen USGG5YR Page on such date, then the United States Government Bond Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable United States Government bond would carry if issued, in United States dollars, at 100% of its principal amount on such date with a term to maturity of five years.

(b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.

(c) If any day on which any dividend on the Series M Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

(a) During each Quarterly Floating Rate Period, the holders of the Series M Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by US\$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the

denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series M Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series M Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series M Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series M Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series M Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series M Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out

of capital or otherwise, the whole or any part of the Series M Preference Shares outstanding from time to time at any price by tender to all holders of record of Series M Preference Shares or through the facilities of any stock exchange on which the Series M Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series M Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series M Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series M Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series M Preference Shares so offered by each of the holders of Series M Preference Shares who offered shares to such tender. From and after the date of purchase of any Series M Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series M Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) US\$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series M Conversion Date on or after September 1, 2022; or
- (b) the Redemption Amount plus US\$0.50 per share in the case of a redemption on any other date after September 1, 2017 that is not a Series M Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series M Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series M Preference Share is US\$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series M Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series M Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series M Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place

and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series M Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series M Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada. Such Series M Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series M Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series M Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series M Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series M Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series L Preference Shares**

- (a) The Series M Preference Shares shall not be convertible prior to September 1, 2022. Holders of Series M Preference Shares shall have the right to elect to convert on each Series M Conversion Date, subject to the provisions hereof, all or any of their Series M Preference Shares into Series L Preference Shares on the basis of one Series L Preference Share for each Series M Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series M Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series M Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series M Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series M Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series M Preference Shares of the Annual Fixed Dividend Rate for the Series L Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series M Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series M Preference Shares of the redemption of all of the Series M Preference Shares, then the right of a holder of Series M Preference Shares to convert such Series M Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series M Preference Shares shall not be entitled to convert their shares into Series L Preference Shares if the Corporation determines that there would remain outstanding on a Series M Conversion Date less than 1,000,000 Series L Preference Shares, after having taken into account all Series M Preference Shares tendered for conversion into Series L Preference Shares and all Series L Preference Shares tendered for conversion into Series M Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series M Preference Shares at least seven days prior to the applicable Series M Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series M Conversion Date, at the expense of the Corporation, to such holders of Series M Preference Shares who have surrendered for conversion any certificate or certificates representing Series M Preference Shares, certificates representing the Series M Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series M Conversion Date less than 1,000,000 Series M Preference Shares, after having taken into account all Series M Preference Shares tendered for conversion into Series L Preference Shares and all Series L Preference Shares tendered for conversion into Series M Preference Shares, then all of the remaining outstanding Series M Preference Shares shall be converted automatically into Series L Preference Shares on the basis of one Series L Preference Share for each Series M Preference Share on the applicable Series M Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series M Preference Shares at least seven days prior to the Series M Conversion Date.
- (e) The conversion right may be exercised by a holder of Series M Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series M Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series M Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series M Conversion Date. The Series M Conversion Notice shall indicate the number of Series M Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series L Preference Shares are in the Book-Based System, if the Series L Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series M Preference Shares to be converted, the Series M Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar

directing the Corporation to register the Series L Preference Shares in some other name or names (the “**Series L Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series L Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series L Transferee to hold such Series L Preference Shares.

- (f) If all remaining outstanding Series M Preference Shares are to be converted into Series L Preference Shares on the applicable Series M Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series M Preference Shares that holders have not previously elected to convert shall be converted on the Series M Conversion Date into Series L Preference Shares and the holders thereof shall be deemed to be holders of Series L Preference Shares at 5:00 p.m. (Toronto time) on the Series M Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series M Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series L Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series M Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series L Preference Shares registered in the name of the holders of the Series M Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series M Preference Shares of the certificate or certificates for the Series M Preference Shares to be converted. If only a part of such Series M Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series M Conversion Notice, the Series M Preference Shares converted into Series L Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series M Preference Shares to be converted share certificates representing the Series L Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series L Preference Shares upon conversion of any Series M Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series L Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or

- (ii) for any reason beyond its control, the Corporation is unable to issue Series L Preference Shares or is unable to deliver Series L Preference Shares.
- (i) The Corporation reserves the right not to deliver Series L Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series L Preference Shares, and the Corporation shall attempt to sell such Series L Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series L Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series L Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series M Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive US\$25.00 per Series M Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series M Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series M Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series M Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series M Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series M Preference Shares with respect to payment of dividends;

- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series M Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series M Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series M Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series M Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series M Preference Shares will be required to pay tax on dividends received on the Series M Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series M Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series M Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series M Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series M Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series M Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series M Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series M Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series M Preference Shares for the purposes of receiving notices or payments on or in respect of the Series M Preference Shares or the delivery of Series M Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series M Preference Shares, the cash redemption price for the Series M Preference Shares or certificates for Series L Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series M Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series M Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series M Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series M Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the

Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series M Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series M Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series M Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series M Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series M Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series M Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series M Preference Shares**

The approval of the holders of the Series M Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series M Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series M Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series M Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series M Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series M Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series M Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series M Preference Shares.

Notice of any such original meeting of the holders of the Series M Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series M Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series M Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series M Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series M Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2012-07-12

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou de l'une de ces deux peines (paragraphe 250(1) de la LCSA).

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fourteenth series of Preference Shares of the Corporation shall consist of 18,000,000 shares designated as Cumulative Redeemable Preference Shares, Series N (the “**Series N Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series N Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series N Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.65%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series N Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series N Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.65%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series N Preference Shares to but excluding December 1, 2018;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from

and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing December 1, 2018;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series N Conversion Date**” means December 1, 2018, and December 1 in every fifth year thereafter;
  - (xxvi) “**Series O Preference Shares**” means the Cumulative Redeemable Preference Shares, Series O of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including December 1, 2018 to but excluding December 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding December 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series N Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series N Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.00 per share, payable quarterly on each Dividend Payment

Date in each year (less any tax required to be deducted and withheld by the Corporation). The first dividend, if declared, shall be payable on December 1, 2012, and, if the Series N Preference Shares are issued on July 17, 2012, shall be in the amount of \$0.3753 per Series N Preference Share, and if the Series N Preference Shares are issued after July 17, 2012, will be an amount that is prorated to reflect the period of time for which the Series N Preference Shares are outstanding prior to December 1, 2012, with such amount being determined by multiplying \$1.00 by the number of days in the period from and including the date of issue of the Series N Preference Shares to but excluding December 1, 2012, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series N Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series N Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series N Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series N Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series N Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference

Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series N Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series N Preference Shares outstanding from time to time at any price by tender to all holders of record of Series N Preference Shares or through the facilities of any stock exchange on which the Series N Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series N Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series N Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series N Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series N Preference Shares so offered by each of the holders of Series N Preference Shares who offered shares to such tender. From and after the date of purchase of any Series N Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series N Preference Shares or any of them prior to December 1, 2018. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on December 1, 2018 and on December 1 in every fifth year thereafter, the whole or any part of the then outstanding Series N Preference Shares on payment of \$25.00 cash per Series N Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series N Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series N Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series N Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series N Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series N Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series N Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series N Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series N Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series N Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series N Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series N Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series O Preference Shares**

- (a) The Series N Preference Shares shall not be convertible prior to December 1, 2018. Holders of Series N Preference Shares shall have the right to elect to convert on each Series N Conversion Date, subject to the provisions hereof, all or any of their Series N Preference Shares into Series O Preference Shares on the basis of one Series O Preference Share for each Series N Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series N

Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series N Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series N Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series N Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series N Preference Shares of the Annual Fixed Dividend Rate for the Series N Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series O Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series N Preference Shares of the redemption of all of the Series N Preference Shares, then the right of a holder of Series N Preference Shares to convert such Series N Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series N Preference Shares shall not be entitled to convert their shares into Series O Preference Shares if the Corporation determines that there would remain outstanding on a Series N Conversion Date less than 1,000,000 Series O Preference Shares, after having taken into account all Series N Preference Shares tendered for conversion into Series O Preference Shares and all Series O Preference Shares tendered for conversion into Series N Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series N Preference Shares at least seven days prior to the applicable Series N Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series N Conversion Date, at the expense of the Corporation, to such holders of Series N Preference Shares who have surrendered for conversion any certificate or certificates representing Series N Preference Shares, certificates representing the Series N Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series N Conversion Date less than 1,000,000 Series N Preference Shares, after having taken into account all Series N Preference Shares tendered for conversion into Series O Preference Shares and all Series O Preference Shares tendered for conversion into Series N Preference Shares, then all of the remaining outstanding Series N Preference Shares shall be converted automatically into Series O Preference Shares on the basis of one Series O Preference Share for each Series N Preference Share on the applicable Series N Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series N Preference Shares at least seven days prior to the Series N Conversion Date.
- (e) The conversion right may be exercised by a holder of Series N Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series N**

**Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series N Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series N Conversion Date. The Series N Conversion Notice shall indicate the number of Series N Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series O Preference Shares are in the Book-Based System, if the Series O Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series N Preference Shares to be converted, the Series N Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series O Preference Shares in some other name or names (the “**Series O Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series O Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series O Transferee to hold such Series O Preference Shares.

- (f) If all remaining outstanding Series N Preference Shares are to be converted into Series O Preference Shares on the applicable Series N Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series N Preference Shares that holders have not previously elected to convert shall be converted on the Series N Conversion Date into Series O Preference Shares and the holders thereof shall be deemed to be holders of Series O Preference Shares at 5:00 p.m. (Toronto time) on the Series N Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series N Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series O Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series N Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series O Preference Shares registered in the name of the holders of the Series N Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series N Preference Shares of the certificate or certificates for the Series N Preference Shares to be converted. If only a part of such Series N Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series N Conversion Notice, the Series N Preference Shares converted into Series O Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the

holders of the Series N Preference Shares to be converted share certificates representing the Series O Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series O Preference Shares upon conversion of any Series N Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series O Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series O Preference Shares or is unable to deliver Series O Preference Shares.
- (i) The Corporation reserves the right not to deliver Series O Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series O Preference Shares, and the Corporation shall attempt to sell such Series O Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series O Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series O Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series N Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series N Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series N Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms.

After payment to the holders of the Series N Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series N Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series N Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series N Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series N Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series N Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series N Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series N Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series N Preference Shares will be required to pay tax on dividends received on the Series N Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or

withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series N Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series N Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series N Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series N Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series N Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series N Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series N Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series N Preference Shares for the purposes of receiving notices or payments on or in respect of the Series N Preference Shares or the delivery of Series N Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series N Preference Shares, the cash redemption price for the Series N Preference Shares or certificates for Series O Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series N Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the

Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series N Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series N Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series N Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series N Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series N Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series N Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series N Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series N Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series N Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series N Preference Shares**

The approval of the holders of the Series N Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series N Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series N Preference Shares duly called and

held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series N Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series N Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series N Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series N Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series N Preference Shares. Notice of any such original meeting of the holders of the Series N Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series N Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series N Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series N Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series N Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fifteenth series of Preference Shares of the Corporation shall consist of 18,000,000 shares designated as Cumulative Redeemable Preference Shares, Series O (the “**Series O Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series O Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series O Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.65%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series O Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series O Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.65%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing December 1, 2018;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series N Preference Shares**” means the Cumulative Redeemable Preference Shares, Series N of the Corporation;
  - (xxv) “**Series O Conversion Date**” means December 1, 2023, and December 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including December 1, 2018 to but excluding December 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding December 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series O Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series O Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series O Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series O Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series O Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series O Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series O Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series O Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series O Preference Shares outstanding from time to time at any price by tender to all holders of record of Series O Preference Shares or through the facilities of any stock exchange on which the Series O Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series O Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series O Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series O Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series O Preference Shares so offered by each of the holders of Series O Preference Shares who offered shares to such tender. From and after the date of purchase of any Series O Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series O Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series O Conversion Date on or after December 1, 2023; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after December 1, 2018 that is not a Series O Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series O Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series O Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series O Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series O Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series O Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series O Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series O

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series O Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series O Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series O Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series O Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series O Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series N Preference Shares**

- (a) The Series O Preference Shares shall not be convertible prior to December 1, 2023. Holders of Series O Preference Shares shall have the right to elect to convert on each Series O Conversion Date, subject to the provisions hereof, all or any of their Series O Preference Shares into Series N Preference Shares on the basis of one Series N Preference Share for each Series O Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series O Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series O Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series O Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series O Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series O Preference Shares of the Annual Fixed Dividend Rate for the Series N Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series O Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series O Preference Shares of the redemption of all of the Series O Preference Shares, then the right of a holder of Series O Preference Shares to convert such Series O Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series O Preference Shares shall not be entitled to convert their shares into Series N Preference Shares if the Corporation determines that there would remain outstanding on a Series O Conversion Date less than 1,000,000 Series N Preference Shares, after having taken into account all Series O Preference Shares tendered for conversion into Series N Preference Shares and all Series N Preference Shares tendered for conversion into Series O Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series O Preference Shares at least seven days prior to the applicable Series O Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series O Conversion Date, at the expense of the Corporation, to such holders of Series O Preference Shares who have surrendered for conversion any certificate or certificates representing Series O Preference Shares, certificates representing the Series O Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series O Conversion Date less than 1,000,000 Series O Preference Shares, after having taken into account all Series O Preference Shares tendered for conversion into Series N Preference Shares and all Series N Preference Shares tendered for conversion into Series O Preference Shares, then all of the remaining outstanding Series O Preference Shares shall be converted automatically into Series N Preference Shares on the basis of one Series N Preference Share for each Series O Preference Share on the applicable Series O Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series O Preference Shares at least seven days prior to the Series O Conversion Date.
- (e) The conversion right may be exercised by a holder of Series O Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series O Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series O Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series O Conversion Date. The Series O Conversion Notice shall indicate the number of Series O Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series N Preference Shares are in the Book-Based System, if the Series N Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series O Preference Shares to be converted, the Series O Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series N Preference Shares in some other name or names (the “**Series N Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series N Transferee and

such other matters as may be required by such law in order to determine the entitlement of such Series N Transferee to hold such Series N Preference Shares.

- (f) If all remaining outstanding Series O Preference Shares are to be converted into Series N Preference Shares on the applicable Series O Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series O Preference Shares that holders have not previously elected to convert shall be converted on the Series O Conversion Date into Series N Preference Shares and the holders thereof shall be deemed to be holders of Series N Preference Shares at 5:00 p.m. (Toronto time) on the Series O Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series O Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series N Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series O Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series N Preference Shares registered in the name of the holders of the Series O Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series O Preference Shares of the certificate or certificates for the Series O Preference Shares to be converted. If only a part of such Series O Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series O Conversion Notice, the Series O Preference Shares converted into Series N Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series O Preference Shares to be converted share certificates representing the Series N Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series N Preference Shares upon conversion of any Series O Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series N Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series N Preference Shares or is unable to deliver Series N Preference Shares.
- (i) The Corporation reserves the right not to deliver Series N Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series N Preference Shares, and the Corporation shall attempt to sell such Series N Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series N Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series N Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series O Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series O Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series O Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series O Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series O Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series O Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series O Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series O Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series O Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series O Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series O Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series O Preference Shares will be required to pay tax on dividends received on the Series O Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series O Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series O Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series O Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series O Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series O Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series O Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series O Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series O Preference Shares for the purposes of receiving notices or payments on or in respect of the Series O Preference Shares or the delivery of Series O Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series O Preference Shares, the cash redemption price for the Series O Preference Shares or certificates for Series N Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series O Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series O Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series O Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series O Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series O Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series O Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series O Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series O Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series O Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series O Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series O Preference Shares**

The approval of the holders of the Series O Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series O Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series O Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series O Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series O Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series O Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series O Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series O Preference Shares. Notice of any such original meeting of the holders of the Series O Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and

the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series O Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series O Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series O Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series O Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Marcie Girouard

Director / Directeur

2012-09-11

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou de l'une de ces deux peines (paragraphe 250(1) de la LCSA).

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The sixteenth series of Preference Shares of the Corporation shall consist of 16,000,000 shares designated as Cumulative Redeemable Preference Shares, Series P (the “**Series P Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series P Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series P Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.50%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series P Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series P Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.50%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series P Preference Shares to but excluding March 1, 2019;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2019;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series P Conversion Date**” means March 1, 2019, and March 1 in every fifth year thereafter;
  - (xxvi) “**Series Q Preference Shares**” means the Cumulative Redeemable Preference Shares, Series Q of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2019 to but excluding March 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series P Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series P Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on December 1, 2012, and, if the Series P Preference Shares are issued on September 13, 2012, shall be in the amount of \$0.2164 per Series P Preference Share, and if the Series P Preference Shares are issued after September 13, 2012, will be an amount that is prorated to reflect the period of time for which the Series P Preference Shares are outstanding prior to December 1, 2012, with such amount being determined by multiplying \$1.00 by the number of days in the period from and including the date of issue of the Series P Preference Shares to but excluding December 1, 2012, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series P Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series P Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series P Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series P Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series P Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends,

including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series P Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series P Preference Shares outstanding from time to time at any price by tender to all holders of record of Series P Preference Shares or through the facilities of any stock exchange on which the Series P Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series P Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series P Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series P Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series P Preference Shares so offered by each of the holders of Series P Preference Shares who offered shares to such tender. From and after the date of purchase of any Series P Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series P Preference Shares or any of them prior to March 1, 2019. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on March 1, 2019 and on March 1 in every fifth year thereafter, the whole or any part of the then outstanding Series P Preference Shares on payment of \$25.00 cash per Series P Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series P Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series P Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series P Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series P Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series P Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series P Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series P Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series P Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series P Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series P Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series P Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series Q Preference Shares**

- (a) The Series P Preference Shares shall not be convertible prior to March 1, 2019. Holders of Series P Preference Shares shall have the right to elect to convert on each Series P Conversion Date, subject to the provisions hereof, all or any of their Series P Preference Shares into Series Q Preference Shares on the basis of one Series Q Preference Share for each Series P Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series P

Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series P Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series P Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series P Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series P Preference Shares of the Annual Fixed Dividend Rate for the Series P Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series Q Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series P Preference Shares of the redemption of all of the Series P Preference Shares, then the right of a holder of Series P Preference Shares to convert such Series P Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series P Preference Shares shall not be entitled to convert their shares into Series Q Preference Shares if the Corporation determines that there would remain outstanding on a Series P Conversion Date less than 1,000,000 Series Q Preference Shares, after having taken into account all Series P Preference Shares tendered for conversion into Series Q Preference Shares and all Series Q Preference Shares tendered for conversion into Series P Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series P Preference Shares at least seven days prior to the applicable Series P Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series P Conversion Date, at the expense of the Corporation, to such holders of Series P Preference Shares who have surrendered for conversion any certificate or certificates representing Series P Preference Shares, certificates representing the Series P Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series P Conversion Date less than 1,000,000 Series P Preference Shares, after having taken into account all Series P Preference Shares tendered for conversion into Series Q Preference Shares and all Series Q Preference Shares tendered for conversion into Series P Preference Shares, then all of the remaining outstanding Series P Preference Shares shall be converted automatically into Series Q Preference Shares on the basis of one Series Q Preference Share for each Series P Preference Share on the applicable Series P Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series P Preference Shares at least seven days prior to the Series P Conversion Date.
- (e) The conversion right may be exercised by a holder of Series P Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series P Conversion**

**Notice**”), which notice must be received by the transfer agent and registrar for the Series P Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series P Conversion Date. The Series P Conversion Notice shall indicate the number of Series P Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series Q Preference Shares are in the Book-Based System, if the Series Q Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series P Preference Shares to be converted, the Series P Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series Q Preference Shares in some other name or names (the “**Series Q Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series Q Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series Q Transferee to hold such Series Q Preference Shares.

- (f) If all remaining outstanding Series P Preference Shares are to be converted into Series Q Preference Shares on the applicable Series P Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series P Preference Shares that holders have not previously elected to convert shall be converted on the Series P Conversion Date into Series Q Preference Shares and the holders thereof shall be deemed to be holders of Series Q Preference Shares at 5:00 p.m. (Toronto time) on the Series P Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series P Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series Q Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series P Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series Q Preference Shares registered in the name of the holders of the Series P Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series P Preference Shares of the certificate or certificates for the Series P Preference Shares to be converted. If only a part of such Series P Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series P Conversion Notice, the Series P Preference Shares converted into Series Q Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the

holders of the Series P Preference Shares to be converted share certificates representing the Series Q Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series Q Preference Shares upon conversion of any Series P Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series Q Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series Q Preference Shares or is unable to deliver Series Q Preference Shares.
- (i) The Corporation reserves the right not to deliver Series Q Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series Q Preference Shares, and the Corporation shall attempt to sell such Series Q Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series Q Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series Q Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series P Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series P Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series P Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms.

After payment to the holders of the Series P Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series P Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series P Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series P Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series P Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series P Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series P Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series P Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series P Preference Shares will be required to pay tax on dividends received on the Series P Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or

withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series P Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series P Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series P Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series P Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series P Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series P Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series P Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series P Preference Shares for the purposes of receiving notices or payments on or in respect of the Series P Preference Shares or the delivery of Series P Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series P Preference Shares, the cash redemption price for the Series P Preference Shares or certificates for Series Q Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series P Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the

Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series P Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series P Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series P Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series P Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series P Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series P Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series P Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series P Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series P Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series P Preference Shares**

The approval of the holders of the Series P Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series P Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series P Preference Shares duly called and

held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series P Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series P Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series P Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series P Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series P Preference Shares. Notice of any such original meeting of the holders of the Series P Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series P Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series P Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series P Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series P Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The seventeenth series of Preference Shares of the Corporation shall consist of 16,000,000 shares designated as Cumulative Redeemable Preference Shares, Series Q (the “**Series Q Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series Q Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series Q Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.50%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series Q Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series Q Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.50%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2019;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series P Preference Shares**” means the Cumulative Redeemable Preference Shares, Series P of the Corporation;
  - (xxv) “**Series Q Conversion Date**” means March 1, 2024, and March 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2019 to but excluding March 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series Q Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series Q Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series Q Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series Q Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series Q Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series Q Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series Q Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series Q Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series Q Preference Shares outstanding from time to time at any price by tender to all holders of record of Series Q Preference Shares or through the facilities of any stock exchange on which the Series Q Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series Q Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series Q Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series Q Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series Q Preference Shares so offered by each of the holders of Series Q Preference Shares who offered shares to such tender. From and after the date of purchase of any Series Q Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series Q Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series Q Conversion Date on or after March 1, 2024; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after March 1, 2019 that is not a Series Q Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series Q Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series Q Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series Q Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series Q Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series Q Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series Q Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series Q

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series Q Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series Q Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series Q Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series Q Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series Q Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series P Preference Shares**

- (a) The Series Q Preference Shares shall not be convertible prior to March 1, 2024. Holders of Series Q Preference Shares shall have the right to elect to convert on each Series Q Conversion Date, subject to the provisions hereof, all or any of their Series Q Preference Shares into Series P Preference Shares on the basis of one Series P Preference Share for each Series Q Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series Q Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series Q Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series Q Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series Q Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series Q Preference Shares of the Annual Fixed Dividend Rate for the Series P Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series Q Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series Q Preference Shares of the redemption of all of the Series Q Preference Shares, then the right of a holder of Series Q Preference Shares to convert such Series Q Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series Q Preference Shares shall not be entitled to convert their shares into Series P Preference Shares if the Corporation determines that there would remain outstanding on a Series Q Conversion Date less than 1,000,000 Series P Preference Shares, after having taken into account all Series Q Preference Shares tendered for conversion into Series P Preference Shares and all Series P Preference Shares tendered for conversion into Series Q Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series Q Preference Shares at least seven days prior to the applicable Series Q Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series Q Conversion Date, at the expense of the Corporation, to such holders of Series Q Preference Shares who have surrendered for conversion any certificate or certificates representing Series Q Preference Shares, certificates representing the Series Q Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series Q Conversion Date less than 1,000,000 Series Q Preference Shares, after having taken into account all Series Q Preference Shares tendered for conversion into Series P Preference Shares and all Series P Preference Shares tendered for conversion into Series Q Preference Shares, then all of the remaining outstanding Series Q Preference Shares shall be converted automatically into Series P Preference Shares on the basis of one Series P Preference Share for each Series Q Preference Share on the applicable Series Q Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series Q Preference Shares at least seven days prior to the Series Q Conversion Date.
- (e) The conversion right may be exercised by a holder of Series Q Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series Q Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series Q Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series Q Conversion Date. The Series Q Conversion Notice shall indicate the number of Series Q Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series P Preference Shares are in the Book-Based System, if the Series P Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series Q Preference Shares to be converted, the Series Q Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series P Preference Shares in some other name or names (the “**Series P Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series P Transferee and

such other matters as may be required by such law in order to determine the entitlement of such Series P Transferee to hold such Series P Preference Shares.

- (f) If all remaining outstanding Series Q Preference Shares are to be converted into Series P Preference Shares on the applicable Series Q Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series Q Preference Shares that holders have not previously elected to convert shall be converted on the Series Q Conversion Date into Series P Preference Shares and the holders thereof shall be deemed to be holders of Series P Preference Shares at 5:00 p.m. (Toronto time) on the Series Q Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series Q Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series P Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series Q Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series P Preference Shares registered in the name of the holders of the Series Q Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series Q Preference Shares of the certificate or certificates for the Series Q Preference Shares to be converted. If only a part of such Series Q Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series Q Conversion Notice, the Series Q Preference Shares converted into Series P Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series Q Preference Shares to be converted share certificates representing the Series P Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series P Preference Shares upon conversion of any Series Q Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series P Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series P Preference Shares or is unable to deliver Series P Preference Shares.
- (i) The Corporation reserves the right not to deliver Series P Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series P Preference Shares, and the Corporation shall attempt to sell such Series P Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series P Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series P Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series Q Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series Q Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series Q Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series Q Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series Q Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series Q Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series Q Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series Q Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series Q Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series Q Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series Q Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series Q Preference Shares will be required to pay tax on dividends received on the Series Q Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series Q Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series Q Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series Q Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series Q Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series Q Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series Q Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series Q Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series Q Preference Shares for the purposes of receiving notices or payments on or in respect of the Series Q Preference Shares or the delivery of Series Q Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series Q Preference Shares, the cash redemption price for the Series Q Preference Shares or certificates for Series P Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series Q Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series Q Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series Q Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series Q Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series Q Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series Q Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series Q Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series Q Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series Q Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series Q Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series Q Preference Shares**

The approval of the holders of the Series Q Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series Q Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series Q Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series Q Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series Q Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series Q Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series Q Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series Q Preference Shares. Notice of any such original meeting of the holders of the Series Q Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and

the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series Q Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series Q Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series Q Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series Q Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2012-12-03

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
\_\_\_\_\_  
Alison T. Love  
403-231-3938

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**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**Nota :** Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou de l'une de ces deux peines (paragraphe 250(1) de la LCSA).

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The eighteenth series of Preference Shares of the Corporation shall consist of 16,000,000 shares designated as Cumulative Redeemable Preference Shares, Series R (the “**Series R Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series R Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series R Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.50%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series R Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series R Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.50%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series R Preference Shares to but excluding June 1, 2019;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2019;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series R Conversion Date**” means June 1, 2019, and June 1 in every fifth year thereafter;
  - (xxvi) “**Series S Preference Shares**” means the Cumulative Redeemable Preference Shares, Series S of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2019 to but excluding June 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series R Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series R Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on March 1, 2013, and, if the Series R Preference Shares are issued on December 5, 2012, shall be in the amount of \$0.2356 per Series R Preference Share, and if the Series R Preference Shares are issued after December 5, 2012, will be an amount that is prorated to reflect the period of time for which the Series R Preference Shares are outstanding prior to March 1, 2013, with such amount being determined by multiplying \$1.00 by the number of days in the period from and including the date of issue of the Series R Preference Shares to but excluding March 1, 2013, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series R Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series R Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series R Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series R Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series R Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be

payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series R Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series R Preference Shares outstanding from time to time at any price by tender to all holders of record of Series R Preference Shares or through the facilities of any stock exchange on which the Series R Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series R Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series R Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series R Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series R Preference Shares so offered by each of the holders of Series R Preference Shares who offered shares to such tender. From and after the date of purchase of any Series R Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series R Preference Shares or any of them prior to June 1, 2019. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on June 1, 2019 and on June 1 in every fifth year thereafter, the whole or any part of the then outstanding Series R Preference Shares on payment of \$25.00 cash per Series R Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series R Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series R Preference Shares under the provisions of the foregoing paragraph 4, the following

provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series R Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series R Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series R Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series R Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series R Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series R Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series R Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series R Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series R Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series S Preference Shares**

- (a) The Series R Preference Shares shall not be convertible prior to June 1, 2019. Holders of Series R Preference Shares shall have the right to elect to convert on each Series R Conversion Date, subject to the provisions hereof, all or any of their Series R Preference Shares into Series S Preference Shares on the basis of one Series S Preference Share for each Series R Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series R Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series R Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series R Conversion Date and instructions to such holders as to the method by which

such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series R Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series R Preference Shares of the Annual Fixed Dividend Rate for the Series R Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series S Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series R Preference Shares of the redemption of all of the Series R Preference Shares, then the right of a holder of Series R Preference Shares to convert such Series R Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series R Preference Shares shall not be entitled to convert their shares into Series S Preference Shares if the Corporation determines that there would remain outstanding on a Series R Conversion Date less than 1,000,000 Series S Preference Shares, after having taken into account all Series R Preference Shares tendered for conversion into Series S Preference Shares and all Series S Preference Shares tendered for conversion into Series R Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series R Preference Shares at least seven days prior to the applicable Series R Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series R Conversion Date, at the expense of the Corporation, to such holders of Series R Preference Shares who have surrendered for conversion any certificate or certificates representing Series R Preference Shares, certificates representing the Series R Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series R Conversion Date less than 1,000,000 Series R Preference Shares, after having taken into account all Series R Preference Shares tendered for conversion into Series S Preference Shares and all Series S Preference Shares tendered for conversion into Series R Preference Shares, then all of the remaining outstanding Series R Preference Shares shall be converted automatically into Series S Preference Shares on the basis of one Series S Preference Share for each Series R Preference Share on the applicable Series R Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series R Preference Shares at least seven days prior to the Series R Conversion Date.
- (e) The conversion right may be exercised by a holder of Series R Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series R Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series R Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series R

Conversion Date. The Series R Conversion Notice shall indicate the number of Series R Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series S Preference Shares are in the Book-Based System, if the Series S Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series R Preference Shares to be converted, the Series R Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series S Preference Shares in some other name or names (the “**Series S Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series S Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series S Transferee to hold such Series S Preference Shares.

- (f) If all remaining outstanding Series R Preference Shares are to be converted into Series S Preference Shares on the applicable Series R Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series R Preference Shares that holders have not previously elected to convert shall be converted on the Series R Conversion Date into Series S Preference Shares and the holders thereof shall be deemed to be holders of Series S Preference Shares at 5:00 p.m. (Toronto time) on the Series R Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series R Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series S Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series R Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series S Preference Shares registered in the name of the holders of the Series R Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series R Preference Shares of the certificate or certificates for the Series R Preference Shares to be converted. If only a part of such Series R Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series R Conversion Notice, the Series R Preference Shares converted into Series S Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series R Preference Shares to be converted share certificates representing the Series S Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series S Preference Shares upon conversion of any Series R Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series S Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series S Preference Shares or is unable to deliver Series S Preference Shares.
- (i) The Corporation reserves the right not to deliver Series S Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series S Preference Shares, and the Corporation shall attempt to sell such Series S Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series S Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series S Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series R Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series R Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series R Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series R Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series R Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series R Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series R Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series R Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series R Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series R Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series R Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series R Preference Shares will be required to pay tax on dividends received on the Series R Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series R Preference Shares pursuant to these share provisions shall be considered to be the amount

of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series R Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series R Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series R Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series R Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series R Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series R Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series R Preference Shares for the purposes of receiving notices or payments on or in respect of the Series R Preference Shares or the delivery of Series R Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series R Preference Shares, the cash redemption price for the Series R Preference Shares or certificates for Series S Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series R Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series R Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series R Preference Shares and the Corporation shall

notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series R Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series R Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series R Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series R Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series R Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series R Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series R Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series R Preference Shares**

The approval of the holders of the Series R Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series R Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series R Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series R Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series R

Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series R Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series R Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series R Preference Shares. Notice of any such original meeting of the holders of the Series R Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series R Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series R Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series R Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series R Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The nineteenth series of Preference Shares of the Corporation shall consist of 16,000,000 shares designated as Cumulative Redeemable Preference Shares, Series S (the “**Series S Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series S Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series S Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.50%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series S Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series S Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.50%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2019;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series R Preference Shares**” means the Cumulative Redeemable Preference Shares, Series R of the Corporation;
  - (xxv) “**Series S Conversion Date**” means June 1, 2024, and June 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2019 to but excluding June 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series S Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series S Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series S Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series S Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series S Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series S Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series S Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series S Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series S Preference Shares outstanding from time to time at any price by tender to all holders of record of Series S Preference Shares or through the facilities of any stock exchange on which the Series S Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series S Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series S Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series S Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series S Preference Shares so offered by each of the holders of Series S Preference Shares who offered shares to such tender. From and after the date of purchase of any Series S Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series S Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series S Conversion Date on or after June 1, 2024; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after June 1, 2019 that is not a Series S Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series S Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series S Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series S Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series S Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series S Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series S Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series S

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series S Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series S Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series S Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series S Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series S Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series R Preference Shares**

- (a) The Series S Preference Shares shall not be convertible prior to June 1, 2024. Holders of Series S Preference Shares shall have the right to elect to convert on each Series S Conversion Date, subject to the provisions hereof, all or any of their Series S Preference Shares into Series R Preference Shares on the basis of one Series R Preference Share for each Series S Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series S Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series S Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series S Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series S Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series S Preference Shares of the Annual Fixed Dividend Rate for the Series R Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series S Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series S Preference Shares of the redemption of all of the Series S Preference Shares, then the right of a holder of Series S Preference Shares to convert such Series S Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series S Preference Shares shall not be entitled to convert their shares into Series R Preference Shares if the Corporation determines that there would remain outstanding on a Series S Conversion Date less than 1,000,000 Series R Preference Shares, after having taken into account all Series S Preference Shares tendered for conversion into Series R Preference Shares and all Series R Preference Shares tendered for conversion into Series S Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series S Preference Shares at least seven days prior to the applicable Series S Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series S Conversion Date, at the expense of the Corporation, to such holders of Series S Preference Shares who have surrendered for conversion any certificate or certificates representing Series S Preference Shares, certificates representing the Series S Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series S Conversion Date less than 1,000,000 Series S Preference Shares, after having taken into account all Series S Preference Shares tendered for conversion into Series R Preference Shares and all Series R Preference Shares tendered for conversion into Series S Preference Shares, then all of the remaining outstanding Series S Preference Shares shall be converted automatically into Series R Preference Shares on the basis of one Series R Preference Share for each Series S Preference Share on the applicable Series S Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series S Preference Shares at least seven days prior to the Series S Conversion Date.
- (e) The conversion right may be exercised by a holder of Series S Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series S Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series S Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series S Conversion Date. The Series S Conversion Notice shall indicate the number of Series S Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series R Preference Shares are in the Book-Based System, if the Series R Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series S Preference Shares to be converted, the Series S Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series R Preference Shares in some other name or names (the “**Series R Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series R Transferee and such other matters as may

be required by such law in order to determine the entitlement of such Series R Transferee to hold such Series R Preference Shares.

- (f) If all remaining outstanding Series S Preference Shares are to be converted into Series R Preference Shares on the applicable Series S Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series S Preference Shares that holders have not previously elected to convert shall be converted on the Series S Conversion Date into Series R Preference Shares and the holders thereof shall be deemed to be holders of Series R Preference Shares at 5:00 p.m. (Toronto time) on the Series S Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series S Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series R Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series S Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series R Preference Shares registered in the name of the holders of the Series S Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series S Preference Shares of the certificate or certificates for the Series S Preference Shares to be converted. If only a part of such Series S Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series S Conversion Notice, the Series S Preference Shares converted into Series R Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series S Preference Shares to be converted share certificates representing the Series R Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series R Preference Shares upon conversion of any Series S Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series R Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series R Preference Shares or is unable to deliver Series R Preference Shares.
- (i) The Corporation reserves the right not to deliver Series R Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series R Preference Shares, and the Corporation shall attempt to sell such Series R Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series R Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series R Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series S Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series S Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series S Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series S Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series S Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series S Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series S Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series S Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series S Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series S Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series S Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series S Preference Shares will be required to pay tax on dividends received on the Series S Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series S Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series S Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series S Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series S Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series S Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series S Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series S Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series S Preference Shares for the purposes of receiving notices or payments on or in respect of the Series S Preference Shares or the delivery of Series S Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series S Preference Shares, the cash redemption price for the Series S Preference Shares or certificates for Series R Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series S Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series S Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series S Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series S Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series S Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series S Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series S Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series S Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series S Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series S Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series S Preference Shares**

The approval of the holders of the Series S Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series S Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series S Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series S Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series S Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series S Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series S Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series S Preference Shares. Notice of any such original meeting of the holders of the Series S Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be

those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series S Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series S Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series S Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series S Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Marcie Girouard

Director / Directeur

2013-03-25

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Alison T. Love  
Alison T. Love  
403-231-3938

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

**SCHEDULE “A” TO ARTICLES OF AMENDMENT OF  
ENBRIDGE INC.**

The twentieth series of Preference Shares of the Corporation shall consist of 16,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 1 (the “**Series 1 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 1 Preference Shares shall be as follows:

**1. Interpretation**

- (a) In these Series 1 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the United States Government Bond Yield on the applicable Fixed Rate Calculation Date and 3.14%;
  - (ii) “**Bloomberg Screen USGG5YR Page**” means the display designated as page “USGG5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the USGG5YR <INDEX> page on that service or its successor service) for purposes of displaying United States Government Bond Yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 1 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in each of Calgary, Alberta, Toronto, Ontario and the United States of America;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 1 Preference Shares;

- (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.14%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series 1 Preference Shares to but excluding June 1, 2018;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2018;
- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;

- (xxiv) “**Series 1 Conversion Date**” means June 1, 2018, and June 1 in every fifth year thereafter;
  - (xxv) “**Series 2 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 2 of the Corporation;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2018 to but excluding June 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof;
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month United States Government treasury bills, as reported by the United States Treasury, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date; and
  - (xxix) “**United States Government Bond Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a United States dollar denominated non-callable United States treasury bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen USGG5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen USGG5YR Page on such date, then the United States Government Bond Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable United States Government bond would carry if issued, in United States dollars, at 100% of its principal amount on such date with a term to maturity of five years.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 1 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 1 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly

applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of US\$1.00 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation). The first dividend, if declared, shall be payable on June 1, 2013, and, if the Series 1 Preference Shares are issued on March 27, 2013, shall be in the amount of US\$0.1808 per Series 1 Preference Share, and if the Series 1 Preference Shares are issued after March 27, 2013, will be an amount that is prorated to reflect the period of time for which the Series 1 Preference Shares are outstanding prior to June 1, 2013, with such amount being determined by multiplying US\$1.00 by the number of days in the period from and including the date of issue of the Series 1 Preference Shares to but excluding June 1, 2013, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 1 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by US\$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 1 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 1 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 1 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 1 Preference Shares shall participate rateably with the Preference Shares of

other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 1 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 1 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 1 Preference Shares or through the facilities of any stock exchange on which the Series 1 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 1 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 1 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 1 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 1 Preference Shares so offered by each of the holders of Series 1 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 1 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 1 Preference Shares or any of them prior to June 1, 2018. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on June 1, 2018 and on June 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 1 Preference Shares on payment of US\$25.00 cash per Series 1 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 1 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 1 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 1 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 1 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 1 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 1 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 1 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 1 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 1 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 1 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 1 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 2 Preference Shares**

- (a) The Series 1 Preference Shares shall not be convertible prior to June 1, 2018. Holders of Series 1 Preference Shares shall have the right to elect to convert on each Series 1 Conversion Date, subject to the provisions hereof, all or any of their Series 1 Preference Shares into Series 2 Preference Shares on the basis of one Series 2 Preference Share for each Series 1 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 1

Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 1 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 1 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 1 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 1 Preference Shares of the Annual Fixed Dividend Rate for the Series 1 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 2 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 1 Preference Shares of the redemption of all of the Series 1 Preference Shares, then the right of a holder of Series 1 Preference Shares to convert such Series 1 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 1 Preference Shares shall not be entitled to convert their shares into Series 2 Preference Shares if the Corporation determines that there would remain outstanding on a Series 1 Conversion Date less than 1,000,000 Series 2 Preference Shares, after having taken into account all Series 1 Preference Shares tendered for conversion into Series 2 Preference Shares and all Series 2 Preference Shares tendered for conversion into Series 1 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 1 Preference Shares at least seven days prior to the applicable Series 1 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 1 Conversion Date, at the expense of the Corporation, to such holders of Series 1 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 1 Preference Shares, certificates representing the Series 1 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 1 Conversion Date less than 1,000,000 Series 1 Preference Shares, after having taken into account all Series 1 Preference Shares tendered for conversion into Series 2 Preference Shares and all Series 2 Preference Shares tendered for conversion into Series 1 Preference Shares, then all of the remaining outstanding Series 1 Preference Shares shall be converted automatically into Series 2 Preference Shares on the basis of one Series 2 Preference Share for each Series 1 Preference Share on the applicable Series 1 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 1 Preference Shares at least seven days prior to the Series 1 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 1 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 1 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the

Series 1 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 1 Conversion Date. The Series 1 Conversion Notice shall indicate the number of Series 1 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 2 Preference Shares are in the Book-Based System, if the Series 2 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 1 Preference Shares to be converted, the Series 1 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 2 Preference Shares in some other name or names (the “**Series 2 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 2 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 2 Transferee to hold such Series 2 Preference Shares.

- (f) If all remaining outstanding Series 1 Preference Shares are to be converted into Series 2 Preference Shares on the applicable Series 1 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 1 Preference Shares that holders have not previously elected to convert shall be converted on the Series 1 Conversion Date into Series 2 Preference Shares and the holders thereof shall be deemed to be holders of Series 2 Preference Shares at 5:00 p.m. (Toronto time) on the Series 1 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 1 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 2 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 1 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 2 Preference Shares registered in the name of the holders of the Series 1 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 1 Preference Shares of the certificate or certificates for the Series 1 Preference Shares to be converted. If only a part of such Series 1 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 1 Conversion Notice, the Series 1 Preference Shares converted into Series 2 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of

the Series 1 Preference Shares to be converted share certificates representing the Series 2 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 2 Preference Shares upon conversion of any Series 1 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 2 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 2 Preference Shares or is unable to deliver Series 2 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 2 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 2 Preference Shares, and the Corporation shall attempt to sell such Series 2 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 2 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 2 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 1 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive US\$25.00 per Series 1 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 1 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 1 Preference Shares of the amount so payable to them,

they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 1 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 1 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 1 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 1 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 1 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 1 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 1 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 1 Preference Shares will be required to pay tax on dividends received on the Series 1 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property

in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 1 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 1 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 1 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 1 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 1 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 1 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 1 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 1 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 1 Preference Shares or the delivery of Series 1 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 1 Preference Shares, the cash redemption price for the Series 1 Preference Shares or certificates for Series 2 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 1 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is

required by applicable law, to withdraw the Series 1 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 1 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 1 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 1 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 1 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 1 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 1 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 1 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 1 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 1 Preference Shares**

The approval of the holders of the Series 1 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 1 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 1 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not

less than a majority of all Series 1 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 1 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 1 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 1 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 1 Preference Shares. Notice of any such original meeting of the holders of the Series 1 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 1 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 1 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 1 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 1 Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The twenty – first series of Preference Shares of the Corporation shall consist of 16,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 2 (the “**Series 2 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 2 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 2 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the United States Government Bond Yield on the applicable Fixed Rate Calculation Date and 3.14%;
  - (ii) “**Bloomberg Screen USGG5YR Page**” means the display designated as page “USGG5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the USGG5YR <INDEX> page on that service or its successor service) for purposes of displaying United States Government Bond Yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 2 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in each of Calgary, Alberta, Toronto, Ontario and the United States of America;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 2 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.14%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvi) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xvii) “**Participants**” means the participants in the Book-Based System;
- (xviii) “**Preference Shares**” means the preference shares of the Corporation;
- (xix) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xx) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxi) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2018;
- (xxii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
- (xxiii) “**Series 1 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 1 of the Corporation;
- (xxiv) “**Series 2 Conversion Date**” means June 1, 2023, and June 1, in every fifth year thereafter;

- (xxv) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2018 to but excluding June 1, 2023, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
- (xxvi) “**System Operator**” means CDS or its nominee or any successor thereof;
- (xxvii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month United States Government treasury bills, as reported by the United States Treasury, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date; and
- (xxviii) “**United States Government Bond Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a United States dollar denominated non-callable United States treasury bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen USGG5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen USGG5YR Page on such date, then the United States Government Bond Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable United States Government bond would carry if issued, in United States dollars, at 100% of its principal amount on such date with a term to maturity of five years.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
- (c) If any day on which any dividend on the Series 2 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 2 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by US\$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the

denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series 2 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 2 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 2 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 2 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 2 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 2 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out

of capital or otherwise, the whole or any part of the Series 2 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 2 Preference Shares or through the facilities of any stock exchange on which the Series 2 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 2 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 2 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 2 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 2 Preference Shares so offered by each of the holders of Series 2 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 2 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 2 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) US\$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 2 Conversion Date on or after June 1, 2023; or
- (b) the Redemption Amount plus US\$0.50 per share in the case of a redemption on any other date after June 1, 2018 that is not a Series 2 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 2 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 2 Preference Share is US\$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 2 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 2 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 2 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place

and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 2 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 2 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 2 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 2 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 2 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 2 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 2 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 1 Preference Shares**

- (a) The Series 2 Preference Shares shall not be convertible prior to June 1, 2023. Holders of Series 2 Preference Shares shall have the right to elect to convert on each Series 2 Conversion Date, subject to the provisions hereof, all or any of their Series 2 Preference Shares into Series 1 Preference Shares on the basis of one Series 1 Preference Share for each Series 2 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 2 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 2 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 2 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 2 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 2 Preference Shares of the Annual Fixed Dividend Rate for the Series 1 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 2 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 2 Preference Shares of the redemption of all of the Series 2 Preference Shares, then the right of a holder of Series 2 Preference Shares to convert such Series 2 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 2 Preference Shares shall not be entitled to convert their shares into Series 1 Preference Shares if the Corporation determines that there would remain outstanding on a Series 2 Conversion Date less than 1,000,000 Series 1 Preference Shares, after having taken into account all Series 2 Preference Shares tendered for conversion into Series 1 Preference Shares and all Series 1 Preference Shares tendered for conversion into Series 2 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 2 Preference Shares at least seven days prior to the applicable Series 2 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 2 Conversion Date, at the expense of the Corporation, to such holders of Series 2 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 2 Preference Shares, certificates representing the Series 2 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 2 Conversion Date less than 1,000,000 Series 2 Preference Shares, after having taken into account all Series 2 Preference Shares tendered for conversion into Series 1 Preference Shares and all Series 1 Preference Shares tendered for conversion into Series 2 Preference Shares, then all of the remaining outstanding Series 2 Preference Shares shall be converted automatically into Series 1 Preference Shares on the basis of one Series 1 Preference Share for each Series 2 Preference Share on the applicable Series 2 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 2 Preference Shares at least seven days prior to the Series 2 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 2 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 2 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 2 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 2 Conversion Date. The Series 2 Conversion Notice shall indicate the number of Series 2 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 1 Preference Shares are in the Book-Based System, if the Series 1 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 2 Preference Shares to be converted, the Series 2 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 1 Preference Shares in some other name or names (the “**Series 1**

**Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 1 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 1 Transferee to hold such Series 1 Preference Shares.

- (f) If all remaining outstanding Series 2 Preference Shares are to be converted into Series 1 Preference Shares on the applicable Series 2 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 2 Preference Shares that holders have not previously elected to convert shall be converted on the Series 2 Conversion Date into Series 1 Preference Shares and the holders thereof shall be deemed to be holders of Series 1 Preference Shares at 5:00 p.m. (Toronto time) on the Series 2 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 2 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 1 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 2 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 1 Preference Shares registered in the name of the holders of the Series 2 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 2 Preference Shares of the certificate or certificates for the Series 2 Preference Shares to be converted. If only a part of such Series 2 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 2 Conversion Notice, the Series 2 Preference Shares converted into Series 1 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 2 Preference Shares to be converted share certificates representing the Series 1 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 1 Preference Shares upon conversion of any Series 2 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 1 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 1 Preference Shares or is unable to deliver Series 1 Preference Shares.

- (i) The Corporation reserves the right not to deliver Series 1 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 1 Preference Shares, and the Corporation shall attempt to sell such Series 1 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 1 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 1 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 2 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive US\$25.00 per Series 2 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 2 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 2 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 2 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 2 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 2 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 2 Preference Shares) on the

Common Shares or any other shares of the Corporation ranking junior to the Series 2 Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 2 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 2 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 2 Preference Shares will be required to pay tax on dividends received on the Series 2 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 2 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 2 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 2 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 2 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 2 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 2 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 2 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 2 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 2 Preference Shares or the delivery of Series 2 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 2 Preference Shares, the cash redemption price for the Series 2 Preference Shares or certificates for Series 1 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 2 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 2 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 2 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 2 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the

Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 2 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 2 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 2 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 2 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 2 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 2 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 2 Preference Shares**

The approval of the holders of the Series 2 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 2 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 2 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 2 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 2 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 2 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 2 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 2 Preference Shares. Notice of any such original

meeting of the holders of the Series 2 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 2 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 2 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 2 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 2 Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination de la société

227602-0

Corporation number / Numéro de la société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

**Marcie Girouard**

Director / Directeur

2013-06-04

Date of Amendment (YYYY-MM-DD)  
Date de modification (AAAA-MM-JJ)



## Articles of Amendment

(Section 27 or 177 of the Canada Business Corporations Act (CBCA))

### Form 4

#### Instructions

**2** Any changes in the articles of the corporation must be made in accordance with section 27 or 177 of the CBCA.

**A:** If an amendment involves a change of corporate name (including the addition of the English or French version of the corporate name), the new name must comply with sections 10 and 12 of the CBCA as well as part 2 of the regulations, and the Articles of Amendment must be accompanied by a Canada-biased NUANS® search report dated not more than ninety (90) days prior to the receipt of the articles by Corporations Canada. A numbered name may be assigned under subsection 11(2) of the CBCA without a NUANS® search.

**D:** Any other amendments must correspond to the paragraphs and subparagraphs referenced in the articles being amended. If the space available is insufficient, please attach a schedule to the form.

#### 4 Declaration

This form must be signed by a director or an officer of the corporation (subsection 262(2) of the CBCA).

#### General

The information you provide in this document is collected under the authority of the CBCA and will be stored in personal information bank number IC/PPU-049. Personal information that you provide is protected under the provisions of the *Privacy Act*. However, public disclosure pursuant to section 266 of the CBCA is permitted under the *Privacy Act*.

If you require more information, please consult our website at [www.corporationscanada.ic.gc.ca](http://www.corporationscanada.ic.gc.ca) or contact us at 613-941-9042 (Ottawa region), toll-free at 1-866-333-5556 or by email at [corporationscanada@ic.gc.ca](mailto:corporationscanada@ic.gc.ca).

#### Prescribed Fees

- Corporations Canada Online Filing Centre: \$200
- By mail or fax: \$200 paid by cheque payable to the Receiver General for Canada or by credit card (American Express®, MasterCard® or Visa®).

#### Important Reminders

**Changes of registered office address and/or mailing address:**  
Complete and file Change of Registered Office Address (Form 3).

**Changes of directors or changes of a director's address:**  
Complete and file Changes Regarding Directors (Form 6).

These forms can be filed electronically, by mail or by fax free of charge.

File documents online:

**Corporations Canada Online Filing Centre:**  
[www.corporationscanada.ic.gc.ca](http://www.corporationscanada.ic.gc.ca)

Or send documents by mail:

**Director General,  
Corporations Canada  
Jean Edmonds Tower South  
9th Floor  
385 Laurier Ave. West  
Ottawa ON K1A 0C8**

By Facsimile:  
**613-941-0999**

<b>1</b>	<b>Corporation name</b>
Enbridge Inc.	

<b>2</b>	<b>Corporation number</b>
227602-0	

<b>3</b>	<b>The articles are amended as follows:</b> (Please note that more than one section can be filled out)
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**A:** The corporation changes its name to:

**B:** The corporation changes the province or territory in Canada where the registered office is situated to:  
(Do not indicate the full address)

**C:** The corporation changes the minimum and/or maximum number of directors to:  
(For a fixed number of directors, please indicate the same number in both the minimum and maximum options)

minimum: \_\_\_\_\_ maximum: \_\_\_\_\_

**D:** Other changes: (e.g., to the classes of shares, to restrictions on share transfers, to restrictions on the businesses of the corporation or to any other provisions that are permitted by the CBCA to be set out in the Articles) **Please specify.**

See the attached schedules.

<b>4</b>	<b>Declaration</b>
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I hereby certify that I am a director or an officer of the corporation.

*Alison J Love*

SIGNATURE

Alison T. Love

(403) 231-3938

PRINT NAME

TELEPHONE NUMBER

**Note:** Misrepresentation constitutes an offence and, on summary conviction, is punishable by a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

**E-MAIL**

2013-06-04

17:27

**SCHEDULE "A" TO ARTICLES OF AMENDMENT OF  
ENBRIDGE INC.**

The twenty-second series of Preference Shares of the Corporation shall consist of 24,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 3 (the "**Series 3 Preference Shares**"). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 3 Preference Shares shall be as follows:

**1. Interpretation**

- (a) In these Series 3 Preference Share provisions, the following expressions have the meanings indicated:
- (i) "**Annual Fixed Dividend Rate**" means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.38%;
  - (ii) "**Bloomberg Screen GCAN5YR Page**" means the display designated as page "GCAN5YR <INDEX>" on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) "**Book-Based System**" means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) "**Book-Entry Holder**" means the person that is the beneficial holder of a Book-Entry Share;
  - (v) "**Book-Entry Shares**" means the Series 3 Preference Shares held through the Book-Based System;
  - (vi) "**business day**" means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) "**CDS**" means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) "**Common Shares**" means the common shares of the Corporation;
  - (ix) "**Definitive Share**" means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 3 Preference Shares;
  - (x) "**Dividend Payment Date**" means the first day of March, June, September and December in each year;

- (xi) **“Fixed Rate Calculation Date”** means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) **“Floating Quarterly Dividend Rate”** means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.38%;
- (xiii) **“Floating Rate Calculation Date”** means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (xv) **“Government of Canada Yield”** on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) **“Initial Fixed Rate Period”** means the period from and including the date of issue of the Series 3 Preference Shares to but excluding September 1, 2019;
- (xvii) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) **“Participants”** means the participants in the Book-Based System;
- (xx) **“Preference Shares”** means the preference shares of the Corporation;
- (xxi) **“Pro Rated Dividend”** means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from

and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing September 1, 2019;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series 3 Conversion Date**” means September 1, 2019, and September 1 in every fifth year thereafter;
  - (xxvi) “**Series 4 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 4 of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including September 1, 2019 to but excluding September 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding September 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 3 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 3 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.00 per share, payable quarterly on each Dividend Payment

Date in each year (less any tax required to be deducted and withheld by the Corporation). The first dividend, if declared, shall be payable on September 1, 2013, and, if the Series 3 Preference Shares are issued on June 6, 2013, shall be in the amount of \$0.2384 per Series 3 Preference Share, and if the Series 3 Preference Shares are issued after June 6, 2013, will be an amount that is prorated to reflect the period of time for which the Series 3 Preference Shares are outstanding prior to September 1, 2013, with such amount being determined by multiplying \$1.00 by the number of days in the period from and including the date of issue of the Series 3 Preference Shares to but excluding September 1, 2013, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 3 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 3 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 3 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 3 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 3 Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference

Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 3 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 3 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 3 Preference Shares or through the facilities of any stock exchange on which the Series 3 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 3 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 3 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 3 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 3 Preference Shares so offered by each of the holders of Series 3 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 3 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 3 Preference Shares or any of them prior to September 1, 2019. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on September 1, 2019 and on September 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 3 Preference Shares on payment of \$25.00 cash per Series 3 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 3 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 3 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 3 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 3 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 3 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 3 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 3 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 3 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 3 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 3 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 3 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 4 Preference Shares**

- (a) The Series 3 Preference Shares shall not be convertible prior to September 1, 2019. Holders of Series 3 Preference Shares shall have the right to elect to convert on each Series 3 Conversion Date, subject to the provisions hereof, all or any of their Series 3 Preference Shares into Series 4 Preference Shares on the basis of one Series 4 Preference Share for each Series 3 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 3

Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 3 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 3 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 3 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 3 Preference Shares of the Annual Fixed Dividend Rate for the Series 3 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 4 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 3 Preference Shares of the redemption of all of the Series 3 Preference Shares, then the right of a holder of Series 3 Preference Shares to convert such Series 3 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 3 Preference Shares shall not be entitled to convert their shares into Series 4 Preference Shares if the Corporation determines that there would remain outstanding on a Series 3 Conversion Date less than 1,000,000 Series 4 Preference Shares, after having taken into account all Series 3 Preference Shares tendered for conversion into Series 4 Preference Shares and all Series 4 Preference Shares tendered for conversion into Series 3 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 3 Preference Shares at least seven days prior to the applicable Series 3 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 3 Conversion Date, at the expense of the Corporation, to such holders of Series 3 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 3 Preference Shares, certificates representing the Series 3 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 3 Conversion Date less than 1,000,000 Series 3 Preference Shares, after having taken into account all Series 3 Preference Shares tendered for conversion into Series 4 Preference Shares and all Series 4 Preference Shares tendered for conversion into Series 3 Preference Shares, then all of the remaining outstanding Series 3 Preference Shares shall be converted automatically into Series 4 Preference Shares on the basis of one Series 4 Preference Share for each Series 3 Preference Share on the applicable Series 3 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 3 Preference Shares at least seven days prior to the Series 3 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 3 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the "**Series 3 Conversion Notice**"), which notice must be received by the transfer agent and registrar for the

Series 3 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 3 Conversion Date. The Series 3 Conversion Notice shall indicate the number of Series 3 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 4 Preference Shares are in the Book-Based System, if the Series 4 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 3 Preference Shares to be converted, the Series 3 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 4 Preference Shares in some other name or names (the "Series 4 Transferee") and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 4 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 4 Transferee to hold such Series 4 Preference Shares.

- (f) If all remaining outstanding Series 3 Preference Shares are to be converted into Series 4 Preference Shares on the applicable Series 3 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 3 Preference Shares that holders have not previously elected to convert shall be converted on the Series 3 Conversion Date into Series 4 Preference Shares and the holders thereof shall be deemed to be holders of Series 4 Preference Shares at 5:00 p.m. (Toronto time) on the Series 3 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 3 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 4 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 3 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 4 Preference Shares registered in the name of the holders of the Series 3 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 3 Preference Shares of the certificate or certificates for the Series 3 Preference Shares to be converted. If only a part of such Series 3 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 3 Conversion Notice, the Series 3 Preference Shares converted into Series 4 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of

the Series 3 Preference Shares to be converted share certificates representing the Series 4 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 4 Preference Shares upon conversion of any Series 3 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 4 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 4 Preference Shares or is unable to deliver Series 4 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 4 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 4 Preference Shares, and the Corporation shall attempt to sell such Series 4 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 4 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 4 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

#### **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 3 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 3 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 3 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 3 Preference Shares of the amount so payable to them,

they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

#### **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 3 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 3 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 3 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 3 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 3 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 3 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 3 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

#### **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 3 Preference Shares will be required to pay tax on dividends received on the Series 3 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

#### **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property

in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 3 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 3 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

#### 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 3 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 3 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of "CDS & Co." (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 3 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 3 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder's ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 3 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 3 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 3 Preference Shares or the delivery of Series 3 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 3 Preference Shares, the cash redemption price for the Series 3 Preference Shares or certificates for Series 4 Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Series 3 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is

required by applicable law, to withdraw the Series 3 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 3 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 3 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 3 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 3 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 3 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 3 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 3 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 3 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 3 Preference Shares**

The approval of the holders of the Series 3 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 3 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 3 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not

less than a majority of all Series 3 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 3 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 3 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 3 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 3 Preference Shares. Notice of any such original meeting of the holders of the Series 3 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 3 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 3 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 3 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 3 Shares may be listed.

**SCHEDULE "B" TO ARTICLES OF AMENDMENT OF  
ENBRIDGE INC.**

The twenty-third series of Preference Shares of the Corporation shall consist of 24,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 4 (the "**Series 4 Preference Shares**"). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 4 Preference Shares shall be as follows:

**1. Interpretation**

- (a) In these Series 4 Preference Share provisions, the following expressions have the meanings indicated:
- (i) "**Annual Fixed Dividend Rate**" means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.38%;
  - (ii) "**Bloomberg Screen GCAN5YR Page**" means the display designated as page "GCAN5YR<INDEX>" on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) "**Book-Based System**" means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) "**Book-Entry Holder**" means the person that is the beneficial holder of a Book-Entry Share;
  - (v) "**Book-Entry Shares**" means the Series 4 Preference Shares held through the Book-Based System;
  - (vi) "**business day**" means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) "**CDS**" means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) "**Common Shares**" means the common shares of the Corporation;
  - (ix) "**Definitive Share**" means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 4 Preference Shares;
  - (x) "**Dividend Payment Date**" means the first day of March, June, September and December in each year;
  - (xi) "**Fixed Rate Calculation Date**" means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) **"Floating Quarterly Dividend Rate"** means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.38%;
- (xiii) **"Floating Rate Calculation Date"** means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) **"Global Certificate"** means the global certificate representing outstanding Book-Entry Shares;
- (xv) **"Government of Canada Yield"** on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) **"junior shares"** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) **"Liquidation Distribution"** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) **"Participants"** means the participants in the Book-Based System;
- (xix) **"Preference Shares"** means the preference shares of the Corporation;
- (xx) **"Pro Rated Dividend"** means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) **"Quarter"** means a three-month period ending on a Dividend Payment Date;
- (xxii) **"Quarterly Commencement Date"** means the first day of March, June, September and December in each year, commencing September 1, 2019;

- (xxiii) "**Quarterly Floating Rate Period**" means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) "**Series 3 Preference Shares**" means the Cumulative Redeemable Preference Shares, Series 3 of the Corporation;
  - (xxv) "**Series 4 Conversion Date**" means September 1, 2024, and September 1, in every fifth year thereafter;
  - (xxvi) "**Subsequent Fixed Rate Period**" means, for the initial Subsequent Fixed Rate Period, the period from and including September 1, 2019 to but excluding September 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding September 1, in the fifth year thereafter;
  - (xxvii) "**System Operator**" means CDS or its nominee or any successor thereof; and
  - (xxviii) "**T-Bill Rate**" means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions "on a parity with", "ranking prior to", "ranking junior to" and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 4 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 4 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series 4 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 4 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 4 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 4 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 4 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 4 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 4 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 4 Preference Shares or through the facilities of any stock exchange on which the Series 4 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 4 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series 4 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 4 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 4 Preference Shares so offered by each of the holders of Series 4 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 4 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### 4. Redemption

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 4 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 4 Conversion Date on or after September 1, 2024; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after September 1, 2019 that is not a Series 4 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 4 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 4 Preference Share is \$25.00.

#### 5. Procedure on Redemption

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 4 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 4 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 4 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 4 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 4

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 4 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 4 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 4 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 4 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 4 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

#### **6. Conversion into Series 3 Preference Shares**

- (a) The Series 4 Preference Shares shall not be convertible prior to September 1, 2024. Holders of Series 4 Preference Shares shall have the right to elect to convert on each Series 4 Conversion Date, subject to the provisions hereof, all or any of their Series 4 Preference Shares into Series 3 Preference Shares on the basis of one Series 3 Preference Share for each Series 4 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 4 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 4 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 4 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 4 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 4 Preference Shares of the Annual Fixed Dividend Rate for the Series 3 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 4 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 4 Preference Shares of the redemption of all of the Series 4 Preference Shares, then the right of a holder of Series 4 Preference Shares to convert such Series 4 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series 4 Preference Shares shall not be entitled to convert their shares into Series 3 Preference Shares if the Corporation determines that there would remain outstanding on a Series 4 Conversion Date less than 1,000,000 Series 3 Preference Shares, after having taken into account all Series 4 Preference Shares tendered for conversion into Series 3 Preference Shares and all Series 3 Preference Shares tendered for conversion into Series 4 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 4 Preference Shares at least seven days prior to the applicable Series 4 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 4 Conversion Date, at the expense of the Corporation, to such holders of Series 4 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 4 Preference Shares, certificates representing the Series 4 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 4 Conversion Date less than 1,000,000 Series 4 Preference Shares, after having taken into account all Series 4 Preference Shares tendered for conversion into Series 3 Preference Shares and all Series 3 Preference Shares tendered for conversion into Series 4 Preference Shares, then all of the remaining outstanding Series 4 Preference Shares shall be converted automatically into Series 3 Preference Shares on the basis of one Series 3 Preference Share for each Series 4 Preference Share on the applicable Series 4 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 4 Preference Shares at least seven days prior to the Series 4 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 4 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the "**Series 4 Conversion Notice**"), which notice must be received by the transfer agent and registrar for the Series 4 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 4 Conversion Date. The Series 4 Conversion Notice shall indicate the number of Series 4 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 3 Preference Shares are in the Book-Based System, if the Series 3 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 4 Preference Shares to be converted, the Series 4 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 3 Preference Shares in some other name or names (the "**Series 3 Transferee**") and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 3 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 3 Transferee to hold such Series 3 Preference Shares.

- (f) If all remaining outstanding Series 4 Preference Shares are to be converted into Series 3 Preference Shares on the applicable Series 4 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 4 Preference Shares that holders have not previously elected to convert shall be converted on the Series 4 Conversion Date into Series 3 Preference Shares and the holders thereof shall be deemed to be holders of Series 3 Preference Shares at 5:00 p.m. (Toronto time) on the Series 4 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 4 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 3 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 4 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 3 Preference Shares registered in the name of the holders of the Series 4 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 4 Preference Shares of the certificate or certificates for the Series 4 Preference Shares to be converted. If only a part of such Series 4 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 4 Conversion Notice, the Series 4 Preference Shares converted into Series 3 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 4 Preference Shares to be converted share certificates representing the Series 3 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 3 Preference Shares upon conversion of any Series 4 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 3 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 3 Preference Shares or is unable to deliver Series 3 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 3 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of

any such person, all or the relevant number of Series 3 Preference Shares, and the Corporation shall attempt to sell such Series 3 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 3 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 3 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

**7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 4 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 4 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 4 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 4 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

**8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 4 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 4 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 4 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 4 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 4 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 4 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 4 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

**9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 4 Preference Shares will be required to pay tax on dividends received on the Series 4 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

**10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 4 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 4 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

**11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 4 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 4 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of "CDS & Co." (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of

ownership, transfers, surrenders and conversions of Series 4 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 4 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder's ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 4 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 4 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 4 Preference Shares or the delivery of Series 4 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 4 Preference Shares, the cash redemption price for the Series 4 Preference Shares or certificates for Series 3 Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Series 4 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 4 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 4 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 4 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 4 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 4 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 4 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 4 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 4 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 4 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 4 Preference Shares**

The approval of the holders of the Series 4 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 4 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 4 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 4 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 4 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 4 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 4 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 4 Preference Shares. Notice of any such original meeting of the holders of the Series 4 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 4 Preference Shares present in person or represented by proxy shall be entitled to one one-

hundredth of a vote in respect of each dollar of the issue price for each of the Series 4 Preference Shares held by such holder.

**14. Amendments**

The provisions attaching to the Series 4 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 4 Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2013-09-25

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

The corporation amends the description of classes of shares as follows:  
La description des catégories d'actions est modifiée comme suit :  
See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
Tyler W. Robinson  
403-231-5935

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The twenty-fourth series of Preference Shares of the Corporation shall consist of 8,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 5 (the “**Series 5 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 5 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 5 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the United States Government Bond Yield on the applicable Fixed Rate Calculation Date and 2.82%;
  - (ii) “**Bloomberg Screen USGG5YR Page**” means the display designated as page “USGG5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the USGG5YR <INDEX> page on that service or its successor service) for purposes of displaying United States Government Bond Yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 5 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in each of Calgary, Alberta, Toronto, Ontario and the United States of America;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 5 Preference Shares;

- (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.82%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series 5 Preference Shares to but excluding March 1, 2019;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2019;
- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;

- (xxiv) “**Series 5 Conversion Date**” means March 1, 2019, and March 1 in every fifth year thereafter;
  - (xxv) “**Series 6 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 6 of the Corporation;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2019 to but excluding March 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof;
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month United States Government treasury bills, as reported by the United States Treasury, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date; and
  - (xxix) “**United States Government Bond Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a United States dollar denominated non-callable United States treasury bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen USGG5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen USGG5YR Page on such date, then the United States Government Bond Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable United States Government bond would carry if issued, in United States dollars, at 100% of its principal amount on such date with a term to maturity of five years.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 5 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 5 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly

applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of US\$1.10 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation). The first dividend, if declared, shall be payable on December 1, 2013, and, if the Series 5 Preference Shares are issued on September 27, 2013, shall be in the amount of US\$0.1959 per Series 5 Preference Share, and if the Series 5 Preference Shares are issued after September 27, 2013, will be an amount that is prorated to reflect the period of time for which the Series 5 Preference Shares are outstanding prior to December 1, 2013, with such amount being determined by multiplying US\$1.10 by the number of days in the period from and including the date of issue of the Series 5 Preference Shares to but excluding December 1, 2013, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 5 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by US\$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 5 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 5 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 5 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full,

the Series 5 Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 5 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 5 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 5 Preference Shares or through the facilities of any stock exchange on which the Series 5 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 5 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 5 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 5 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 5 Preference Shares so offered by each of the holders of Series 5 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 5 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 5 Preference Shares or any of them prior to March 1, 2019. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on March 1, 2019 and on March 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 5 Preference Shares on payment of US\$25.00 cash per Series 5 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 5 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 5 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 5 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 5 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 5 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 5 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 5 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 5 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 5 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 5 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 5 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 6 Preference Shares**

- (a) The Series 5 Preference Shares shall not be convertible prior to March 1, 2019. Holders of Series 5 Preference Shares shall have the right to elect to convert on each Series 5 Conversion Date, subject to the provisions hereof, all or any of their Series 5 Preference Shares into Series 6 Preference Shares on the basis of one Series 6 Preference Share for each Series 5 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 5

Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 5 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 5 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 5 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 5 Preference Shares of the Annual Fixed Dividend Rate for the Series 5 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 6 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 5 Preference Shares of the redemption of all of the Series 5 Preference Shares, then the right of a holder of Series 5 Preference Shares to convert such Series 5 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 5 Preference Shares shall not be entitled to convert their shares into Series 6 Preference Shares if the Corporation determines that there would remain outstanding on a Series 5 Conversion Date less than 1,000,000 Series 6 Preference Shares, after having taken into account all Series 5 Preference Shares tendered for conversion into Series 6 Preference Shares and all Series 6 Preference Shares tendered for conversion into Series 5 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 5 Preference Shares at least seven days prior to the applicable Series 5 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 5 Conversion Date, at the expense of the Corporation, to such holders of Series 5 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 5 Preference Shares, certificates representing the Series 5 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 5 Conversion Date less than 1,000,000 Series 5 Preference Shares, after having taken into account all Series 5 Preference Shares tendered for conversion into Series 6 Preference Shares and all Series 6 Preference Shares tendered for conversion into Series 5 Preference Shares, then all of the remaining outstanding Series 5 Preference Shares shall be converted automatically into Series 6 Preference Shares on the basis of one Series 6 Preference Share for each Series 5 Preference Share on the applicable Series 5 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 5 Preference Shares at least seven days prior to the Series 5 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 5 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 5 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the

Series 5 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 5 Conversion Date. The Series 5 Conversion Notice shall indicate the number of Series 5 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 6 Preference Shares are in the Book-Based System, if the Series 6 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 5 Preference Shares to be converted, the Series 5 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 6 Preference Shares in some other name or names (the “**Series 6 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 6 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 6 Transferee to hold such Series 6 Preference Shares.

- (f) If all remaining outstanding Series 5 Preference Shares are to be converted into Series 6 Preference Shares on the applicable Series 5 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 5 Preference Shares that holders have not previously elected to convert shall be converted on the Series 5 Conversion Date into Series 6 Preference Shares and the holders thereof shall be deemed to be holders of Series 6 Preference Shares at 5:00 p.m. (Toronto time) on the Series 5 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 5 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 6 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 5 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 6 Preference Shares registered in the name of the holders of the Series 5 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 5 Preference Shares of the certificate or certificates for the Series 5 Preference Shares to be converted. If only a part of such Series 5 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 5 Conversion Notice, the Series 5 Preference Shares converted into Series 6 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of

the Series 5 Preference Shares to be converted share certificates representing the Series 6 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 6 Preference Shares upon conversion of any Series 5 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 6 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 6 Preference Shares or is unable to deliver Series 6 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 6 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 6 Preference Shares, and the Corporation shall attempt to sell such Series 6 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 6 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 6 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 5 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive US\$25.00 per Series 5 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 5 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 5 Preference Shares of the amount so payable to them,

they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 5 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 5 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 5 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 5 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 5 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 5 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 5 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 5 Preference Shares will be required to pay tax on dividends received on the Series 5 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property

in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 5 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 5 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 5 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 5 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 5 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 5 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 5 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 5 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 5 Preference Shares or the delivery of Series 5 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 5 Preference Shares, the cash redemption price for the Series 5 Preference Shares or certificates for Series 6 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 5 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is

required by applicable law, to withdraw the Series 5 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 5 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 5 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 5 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 5 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 5 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 5 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 5 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 5 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 5 Preference Shares**

The approval of the holders of the Series 5 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 5 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 5 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not

less than a majority of all Series 5 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 5 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 5 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 5 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 5 Preference Shares. Notice of any such original meeting of the holders of the Series 5 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 5 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 5 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 5 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 5 Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The twenty-fifth series of Preference Shares of the Corporation shall consist of 8,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 6 (the “**Series 6 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 6 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 6 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the United States Government Bond Yield on the applicable Fixed Rate Calculation Date and 2.82%;
  - (ii) “**Bloomberg Screen USGG5YR Page**” means the display designated as page “USGG5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the USGG5YR <INDEX> page on that service or its successor service) for purposes of displaying United States Government Bond Yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 6 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in each of Calgary, Alberta, Toronto, Ontario and the United States of America;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 6 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.82%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvi) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xvii) “**Participants**” means the participants in the Book-Based System;
- (xviii) “**Preference Shares**” means the preference shares of the Corporation;
- (xix) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xx) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxi) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2019;
- (xxii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
- (xxiii) “**Series 5 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 5 of the Corporation;
- (xxiv) “**Series 6 Conversion Date**” means March 1, 2019, and March 1, in every fifth year thereafter;

- (xxv) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2019 to but excluding March 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
- (xxvi) “**System Operator**” means CDS or its nominee or any successor thereof;
- (xxvii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month United States Government treasury bills, as reported by the United States Treasury, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date; and
- (xxviii) “**United States Government Bond Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a United States dollar denominated non-callable United States treasury bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen USGG5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen USGG5YR Page on such date, then the United States Government Bond Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable United States Government bond would carry if issued, in United States dollars, at 100% of its principal amount on such date with a term to maturity of five years..
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
- (c) If any day on which any dividend on the Series 6 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 6 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by US\$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the

denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series 6 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 6 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 6 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 6 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 6 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 6 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out

of capital or otherwise, the whole or any part of the Series 6 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 6 Preference Shares or through the facilities of any stock exchange on which the Series 6 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 6 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 6 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 6 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 6 Preference Shares so offered by each of the holders of Series 6 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 6 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 6 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) US\$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 6 Conversion Date on or after March 1, 2024; or
- (b) the Redemption Amount plus US\$0.50 per share in the case of a redemption on any other date after March 1, 2019 that is not a Series 6 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 6 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 6 Preference Share is US\$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 6 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 6 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 6 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place

and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 6 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 6 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States of America at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 6 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 6 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 6 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 6 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 6 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 5 Preference Shares**

- (a) The Series 6 Preference Shares shall not be convertible prior to March 1, 2024. Holders of Series 6 Preference Shares shall have the right to elect to convert on each Series 6 Conversion Date, subject to the provisions hereof, all or any of their Series 6 Preference Shares into Series 5 Preference Shares on the basis of one Series 5 Preference Share for each Series 6 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 6 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 6 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 6 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 6 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 6 Preference Shares of the Annual Fixed Dividend Rate for the Series 5 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 6 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 6 Preference Shares of the redemption of all of the Series 6 Preference Shares, then the right of a holder of Series 6 Preference Shares to convert such Series 6 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 6 Preference Shares shall not be entitled to convert their shares into Series 5 Preference Shares if the Corporation determines that there would remain outstanding on a Series 6 Conversion Date less than 1,000,000 Series 5 Preference Shares, after having taken into account all Series 6 Preference Shares tendered for conversion into Series 5 Preference Shares and all Series 5 Preference Shares tendered for conversion into Series 6 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 6 Preference Shares at least seven days prior to the applicable Series 6 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 6 Conversion Date, at the expense of the Corporation, to such holders of Series 6 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 6 Preference Shares, certificates representing the Series 6 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 6 Conversion Date less than 1,000,000 Series 6 Preference Shares, after having taken into account all Series 6 Preference Shares tendered for conversion into Series 5 Preference Shares and all Series 5 Preference Shares tendered for conversion into Series 6 Preference Shares, then all of the remaining outstanding Series 6 Preference Shares shall be converted automatically into Series 5 Preference Shares on the basis of one Series 5 Preference Share for each Series 6 Preference Share on the applicable Series 6 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 6 Preference Shares at least seven days prior to the Series 6 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 6 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 6 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 6 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 6 Conversion Date. The Series 6 Conversion Notice shall indicate the number of Series 6 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 5 Preference Shares are in the Book-Based System, if the Series 5 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 6 Preference Shares to be converted, the Series 6 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 5 Preference Shares in some other name or names (the “**Series 5**

**Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 5 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 5 Transferee to hold such Series 5 Preference Shares.

- (f) If all remaining outstanding Series 6 Preference Shares are to be converted into Series 5 Preference Shares on the applicable Series 6 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 6 Preference Shares that holders have not previously elected to convert shall be converted on the Series 6 Conversion Date into Series 5 Preference Shares and the holders thereof shall be deemed to be holders of Series 5 Preference Shares at 5:00 p.m. (Toronto time) on the Series 6 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 6 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 5 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 6 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 5 Preference Shares registered in the name of the holders of the Series 6 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 6 Preference Shares of the certificate or certificates for the Series 6 Preference Shares to be converted. If only a part of such Series 6 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 6 Conversion Notice, the Series 6 Preference Shares converted into Series 5 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 6 Preference Shares to be converted share certificates representing the Series 5 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 5 Preference Shares upon conversion of any Series 6 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 5 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 5 Preference Shares or is unable to deliver Series 5 Preference Shares.

- (i) The Corporation reserves the right not to deliver Series 5 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 5 Preference Shares, and the Corporation shall attempt to sell such Series 5 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 5 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 5 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 6 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive US\$25.00 per Series 6 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 6 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 6 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 6 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 6 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 6 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 6 Preference Shares) on the

Common Shares or any other shares of the Corporation ranking junior to the Series 6 Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 6 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 6 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 6 Preference Shares will be required to pay tax on dividends received on the Series 6 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 6 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 6 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 6 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 6 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 6 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 6 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 6 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 6 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 6 Preference Shares or the delivery of Series 6 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 6 Preference Shares, the cash redemption price for the Series 6 Preference Shares or certificates for Series 5 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 6 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 6 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 6 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 6 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the

Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 6 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 6 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 6 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 6 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 6 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 6 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 6 Preference Shares**

The approval of the holders of the Series 6 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 6 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 6 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 6 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 6 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 6 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 6 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 6 Preference Shares. Notice of any such original

meeting of the holders of the Series 6 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 6 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 6 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 6 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 6 Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2013-12-10

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
\_\_\_\_\_  
Tyler W. Robinson  
403-231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The twenty-sixth series of Preference Shares of the Corporation shall consist of 10,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 7 (the “**Series 7 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 7 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 7 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.57%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 7 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 7 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.57%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series 7 Preference Shares to but excluding March 1, 2019;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2019;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series 7 Conversion Date**” means March 1, 2019, and March 1 in every fifth year thereafter;
  - (xxvi) “**Series 8 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 8 of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2019 to but excluding March 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 7 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 7 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.10 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on March 1, 2014, and, if the Series 7 Preference Shares are issued on December 12, 2013, shall be in the amount of \$0.2381 per Series 7 Preference Share, and if the Series 7 Preference Shares are issued after December 12, 2013, will be an amount that is prorated to reflect the period of time for which the Series 7 Preference Shares are outstanding prior to March 1, 2014, with such amount being determined by multiplying \$1.10 by the number of days in the period from and including the date of issue of the Series 7 Preference Shares to but excluding March 1, 2014, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 7 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 7 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 7 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 7 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 7 Preference Shares shall participate ratably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be

payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 7 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 7 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 7 Preference Shares or through the facilities of any stock exchange on which the Series 7 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 7 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 7 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 7 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 7 Preference Shares so offered by each of the holders of Series 7 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 7 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 7 Preference Shares or any of them prior to March 1, 2019. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on March 1, 2019 and on March 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 7 Preference Shares on payment of \$25.00 cash per Series 7 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 7 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 7 Preference Shares under the provisions of the foregoing paragraph 4, the following

provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 7 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 7 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 7 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 7 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 7 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 7 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 7 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 7 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 7 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 8 Preference Shares**

- (a) The Series 7 Preference Shares shall not be convertible prior to March 1, 2019. Holders of Series 7 Preference Shares shall have the right to elect to convert on each Series 7 Conversion Date, subject to the provisions hereof, all or any of their Series 7 Preference Shares into Series 8 Preference Shares on the basis of one Series 8 Preference Share for each Series 7 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 7 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 7 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 7 Conversion Date and instructions to such holders as to the method by which

such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 7 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 7 Preference Shares of the Annual Fixed Dividend Rate for the Series 7 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 8 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 7 Preference Shares of the redemption of all of the Series 7 Preference Shares, then the right of a holder of Series 7 Preference Shares to convert such Series 7 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 7 Preference Shares shall not be entitled to convert their shares into Series 8 Preference Shares if the Corporation determines that there would remain outstanding on a Series 7 Conversion Date less than 1,000,000 Series 8 Preference Shares, after having taken into account all Series 7 Preference Shares tendered for conversion into Series 8 Preference Shares and all Series 8 Preference Shares tendered for conversion into Series 7 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 7 Preference Shares at least seven days prior to the applicable Series 7 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 7 Conversion Date, at the expense of the Corporation, to such holders of Series 7 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 7 Preference Shares, certificates representing the Series 7 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 7 Conversion Date less than 1,000,000 Series 7 Preference Shares, after having taken into account all Series 7 Preference Shares tendered for conversion into Series 8 Preference Shares and all Series 8 Preference Shares tendered for conversion into Series 7 Preference Shares, then all of the remaining outstanding Series 7 Preference Shares shall be converted automatically into Series 8 Preference Shares on the basis of one Series 8 Preference Share for each Series 7 Preference Share on the applicable Series 7 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 7 Preference Shares at least seven days prior to the Series 7 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 7 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 7 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 7 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 7 Conversion Date. The Series 7 Conversion Notice shall indicate the number of Series 7 Preference Shares

to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 8 Preference Shares are in the Book-Based System, if the Series 8 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 7 Preference Shares to be converted, the Series 7 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 8 Preference Shares in some other name or names (the “**Series 8 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 8 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 8 Transferee to hold such Series 8 Preference Shares.

- (f) If all remaining outstanding Series 7 Preference Shares are to be converted into Series 8 Preference Shares on the applicable Series 7 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 7 Preference Shares that holders have not previously elected to convert shall be converted on the Series 7 Conversion Date into Series 8 Preference Shares and the holders thereof shall be deemed to be holders of Series 8 Preference Shares at 5:00 p.m. (Toronto time) on the Series 7 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 7 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 8 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 7 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 8 Preference Shares registered in the name of the holders of the Series 7 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 7 Preference Shares of the certificate or certificates for the Series 7 Preference Shares to be converted. If only a part of such Series 7 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 7 Conversion Notice, the Series 7 Preference Shares converted into Series 8 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 7 Preference Shares to be converted share certificates representing the Series 8 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 8 Preference Shares upon conversion of any Series 7 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 8 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 8 Preference Shares or is unable to deliver Series 8 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 8 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 8 Preference Shares, and the Corporation shall attempt to sell such Series 8 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 8 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 8 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 7 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 7 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 7 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 7 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 7 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 7 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 7 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 7 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 7 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 7 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 7 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 7 Preference Shares will be required to pay tax on dividends received on the Series 7 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 7 Preference Shares pursuant to these share provisions shall be considered to be the amount of

the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 7 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 7 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 7 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 7 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 7 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 7 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 7 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 7 Preference Shares or the delivery of Series 7 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 7 Preference Shares, the cash redemption price for the Series 7 Preference Shares or certificates for Series 8 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 7 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 7 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 7 Preference Shares and the Corporation shall

notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 7 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 7 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 7 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 7 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 7 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 7 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 7 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 7 Preference Shares**

The approval of the holders of the Series 7 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 7 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 7 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 7 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 7 Preference

Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 7 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 7 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 7 Preference Shares. Notice of any such original meeting of the holders of the Series 7 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 7 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 7 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 7 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 7 Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The twenty-seventh series of Preference Shares of the Corporation shall consist of 10,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 8 (the “**Series 8 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 8 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 8 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.57%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 8 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 8 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.57%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2019;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series 7 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 7 of the Corporation;
  - (xxv) “**Series 8 Conversion Date**” means March 1, 2024, and March 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2019 to but excluding March 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 8 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 8 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series 8 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 8 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 8 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 8 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 8 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 8 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 8 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 8 Preference Shares or through the facilities of any stock exchange on which the Series 8 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 8 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board

lot of the Series 8 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 8 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 8 Preference Shares so offered by each of the holders of Series 8 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 8 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 8 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 8 Conversion Date on or after March 1, 2024; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after March 1, 2019 that is not a Series 8 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 8 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 8 Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 8 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 8 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 8 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 8 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 8

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 8 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 8 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 8 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 8 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 8 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 7 Preference Shares**

- (a) The Series 8 Preference Shares shall not be convertible prior to March 1, 2024. Holders of Series 8 Preference Shares shall have the right to elect to convert on each Series 8 Conversion Date, subject to the provisions hereof, all or any of their Series 8 Preference Shares into Series 7 Preference Shares on the basis of one Series 7 Preference Share for each Series 8 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 8 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 8 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 8 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 8 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 8 Preference Shares of the Annual Fixed Dividend Rate for the Series 7 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 8 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 8 Preference Shares of the redemption of all of the Series 8 Preference Shares, then the right of a holder of Series 8 Preference Shares to convert such Series 8 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series 8 Preference Shares shall not be entitled to convert their shares into Series 7 Preference Shares if the Corporation determines that there would remain outstanding on a Series 8 Conversion Date less than 1,000,000 Series 7 Preference Shares, after having taken into account all Series 8 Preference Shares tendered for conversion into Series 7 Preference Shares and all Series 7 Preference Shares tendered for conversion into Series 8 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 8 Preference Shares at least seven days prior to the applicable Series 8 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 8 Conversion Date, at the expense of the Corporation, to such holders of Series 8 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 8 Preference Shares, certificates representing the Series 8 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 8 Conversion Date less than 1,000,000 Series 8 Preference Shares, after having taken into account all Series 8 Preference Shares tendered for conversion into Series 7 Preference Shares and all Series 7 Preference Shares tendered for conversion into Series 8 Preference Shares, then all of the remaining outstanding Series 8 Preference Shares shall be converted automatically into Series 7 Preference Shares on the basis of one Series 7 Preference Share for each Series 8 Preference Share on the applicable Series 8 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 8 Preference Shares at least seven days prior to the Series 8 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 8 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 8 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 8 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 8 Conversion Date. The Series 8 Conversion Notice shall indicate the number of Series 8 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 7 Preference Shares are in the Book-Based System, if the Series 7 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 8 Preference Shares to be converted, the Series 8 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 7 Preference Shares in some other name or names (the “**Series 7 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 7 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 7 Transferee to hold such Series 7 Preference Shares.

- (f) If all remaining outstanding Series 8 Preference Shares are to be converted into Series 7 Preference Shares on the applicable Series 8 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 8 Preference Shares that holders have not previously elected to convert shall be converted on the Series 8 Conversion Date into Series 7 Preference Shares and the holders thereof shall be deemed to be holders of Series 7 Preference Shares at 5:00 p.m. (Toronto time) on the Series 8 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 8 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 7 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 8 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 7 Preference Shares registered in the name of the holders of the Series 8 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 8 Preference Shares of the certificate or certificates for the Series 8 Preference Shares to be converted. If only a part of such Series 8 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 8 Conversion Notice, the Series 8 Preference Shares converted into Series 7 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 8 Preference Shares to be converted share certificates representing the Series 7 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 7 Preference Shares upon conversion of any Series 8 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 7 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 7 Preference Shares or is unable to deliver Series 7 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 7 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of

any such person, all or the relevant number of Series 7 Preference Shares, and the Corporation shall attempt to sell such Series 7 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 7 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 7 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 8 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 8 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 8 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 8 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 8 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 8 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 8 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 8 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 8 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 8 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 8 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 8 Preference Shares will be required to pay tax on dividends received on the Series 8 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 8 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 8 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 8 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 8 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of "CDS & Co." (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of

ownership, transfers, surrenders and conversions of Series 8 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 8 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder's ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 8 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 8 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 8 Preference Shares or the delivery of Series 8 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 8 Preference Shares, the cash redemption price for the Series 8 Preference Shares or certificates for Series 7 Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Series 8 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 8 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 8 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 8 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 8 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 8 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 8 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 8 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 8 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 8 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 8 Preference Shares**

The approval of the holders of the Series 8 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 8 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 8 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 8 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 8 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 8 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 8 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 8 Preference Shares. Notice of any such original meeting of the holders of the Series 8 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 8 Preference Shares present in person or represented by proxy shall be entitled to one one-

hundredth of a vote in respect of each dollar of the issue price for each of the Series 8 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 8 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 8 Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Cheryl Ringor

Deputy Director / Directeur adjoint

2014-03-10

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
**Enbridge Inc.**
- 
- 2 Corporation number  
Numéro de la société  
**227602-0**
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
\_\_\_\_\_  
Tyler W. Robinson  
403-231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The twenty-eighth series of Preference Shares of the Corporation shall consist of 11,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 9 (the “**Series 9 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 9 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 9 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.66%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 9 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 9 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.66%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series 9 Preference Shares to but excluding December 1, 2019;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing December 1, 2019;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series 9 Conversion Date**” means December 1, 2019, and December 1 in every fifth year thereafter;
  - (xxvi) “**Series 10 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 10 of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including December 1, 2019 to but excluding December 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding December 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 9 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 9 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.10 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on June 1, 2014, and, if the Series 9 Preference Shares are issued on March 13, 2014, shall be in the amount of \$0.2411 per Series 9 Preference Share, and if the Series 9 Preference Shares are issued after March 13, 2014, will be an amount that is prorated to reflect the period of time for which the Series 9 Preference Shares are outstanding prior to June 1, 2014, with such amount being determined by multiplying \$1.10 by the number of days in the period from and including the date of issue of the Series 9 Preference Shares to but excluding June 1, 2014, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 9 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 9 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 9 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 9 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 9 Preference Shares shall participate ratably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be

payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 9 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 9 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 9 Preference Shares or through the facilities of any stock exchange on which the Series 9 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 9 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 9 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 9 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 9 Preference Shares so offered by each of the holders of Series 9 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 9 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 9 Preference Shares or any of them prior to December 1, 2019. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on December 1, 2019 and on December 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 9 Preference Shares on payment of \$25.00 cash per Series 9 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 9 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 9 Preference Shares under the provisions of the foregoing paragraph 4, the following

provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 9 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 9 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 9 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 9 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 9 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 9 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 9 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 9 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 9 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 10 Preference Shares**

- (a) The Series 9 Preference Shares shall not be convertible prior to December 1, 2019. Holders of Series 9 Preference Shares shall have the right to elect to convert on each Series 9 Conversion Date, subject to the provisions hereof, all or any of their Series 9 Preference Shares into Series 10 Preference Shares on the basis of one Series 10 Preference Share for each Series 9 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 9 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 9 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 9 Conversion Date and instructions to such holders as to the method by which

such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 9 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 9 Preference Shares of the Annual Fixed Dividend Rate for the Series 9 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 10 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 9 Preference Shares of the redemption of all of the Series 9 Preference Shares, then the right of a holder of Series 9 Preference Shares to convert such Series 9 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 9 Preference Shares shall not be entitled to convert their shares into Series 10 Preference Shares if the Corporation determines that there would remain outstanding on a Series 9 Conversion Date less than 1,000,000 Series 10 Preference Shares, after having taken into account all Series 9 Preference Shares tendered for conversion into Series 10 Preference Shares and all Series 10 Preference Shares tendered for conversion into Series 9 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 9 Preference Shares at least seven days prior to the applicable Series 9 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 9 Conversion Date, at the expense of the Corporation, to such holders of Series 9 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 9 Preference Shares, certificates representing the Series 9 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 9 Conversion Date less than 1,000,000 Series 9 Preference Shares, after having taken into account all Series 9 Preference Shares tendered for conversion into Series 10 Preference Shares and all Series 10 Preference Shares tendered for conversion into Series 9 Preference Shares, then all of the remaining outstanding Series 9 Preference Shares shall be converted automatically into Series 10 Preference Shares on the basis of one Series 10 Preference Share for each Series 9 Preference Share on the applicable Series 9 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 9 Preference Shares at least seven days prior to the Series 9 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 9 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 9 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 9 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 9 Conversion Date. The Series 9 Conversion Notice shall indicate the number of Series 9 Preference Shares

to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 10 Preference Shares are in the Book-Based System, if the Series 10 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 9 Preference Shares to be converted, the Series 9 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 10 Preference Shares in some other name or names (the “**Series 10 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 10 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 10 Transferee to hold such Series 10 Preference Shares.

- (f) If all remaining outstanding Series 9 Preference Shares are to be converted into Series 10 Preference Shares on the applicable Series 9 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 9 Preference Shares that holders have not previously elected to convert shall be converted on the Series 9 Conversion Date into Series 10 Preference Shares and the holders thereof shall be deemed to be holders of Series 10 Preference Shares at 5:00 p.m. (Toronto time) on the Series 9 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 9 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 10 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 9 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 10 Preference Shares registered in the name of the holders of the Series 9 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 9 Preference Shares of the certificate or certificates for the Series 9 Preference Shares to be converted. If only a part of such Series 9 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 9 Conversion Notice, the Series 9 Preference Shares converted into Series 10 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 9 Preference Shares to be converted share certificates representing the Series 10 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 10 Preference Shares upon conversion of any Series 9 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 10 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 10 Preference Shares or is unable to deliver Series 10 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 10 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 10 Preference Shares, and the Corporation shall attempt to sell such Series 10 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 10 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 10 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 9 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 9 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 9 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 9 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 9 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 9 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 9 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 9 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 9 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 9 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 9 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 9 Preference Shares will be required to pay tax on dividends received on the Series 9 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 9 Preference Shares pursuant to these share provisions shall be considered to be the amount of

the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 9 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 9 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 9 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 9 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 9 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 9 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 9 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 9 Preference Shares or the delivery of Series 9 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 9 Preference Shares, the cash redemption price for the Series 9 Preference Shares or certificates for Series 10 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 9 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 9 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 9 Preference Shares and the Corporation shall

notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 9 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 9 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 9 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 9 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 9 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 9 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 9 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 9 Preference Shares**

The approval of the holders of the Series 9 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 9 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 9 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 9 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 9 Preference

Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 9 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 9 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 9 Preference Shares. Notice of any such original meeting of the holders of the Series 9 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 9 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 9 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 9 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 9 Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The twenty-ninth series of Preference Shares of the Corporation shall consist of 11,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 10 (the “**Series 10 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 10 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 10 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.66%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 10 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 10 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.66%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing December 1, 2019;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series 9 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 9 of the Corporation;
  - (xxv) “**Series 10 Conversion Date**” means December 1, 2024, and December 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including December 1, 2019 to but excluding December 1, 2024, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding December 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 10 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 10 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series 10 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 10 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 10 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 10 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 10 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 10 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 10 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 10 Preference Shares or through the facilities of any stock exchange on which the Series 10 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 10 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a

board lot of the Series 10 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 10 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 10 Preference Shares so offered by each of the holders of Series 10 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 10 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 10 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 10 Conversion Date on or after December 1, 2024; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after December 1, 2019 that is not a Series 10 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 10 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 10 Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 10 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 10 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 10 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 10 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 10

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 10 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 10 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 10 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 10 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 10 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 9 Preference Shares**

- (a) The Series 10 Preference Shares shall not be convertible prior to December 1, 2024. Holders of Series 10 Preference Shares shall have the right to elect to convert on each Series 10 Conversion Date, subject to the provisions hereof, all or any of their Series 10 Preference Shares into Series 9 Preference Shares on the basis of one Series 9 Preference Share for each Series 10 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 10 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 10 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 10 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 10 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 10 Preference Shares of the Annual Fixed Dividend Rate for the Series 9 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 10 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 10 Preference Shares of the redemption of all of the Series 10 Preference Shares, then the right of a holder of Series 10 Preference Shares to convert such Series 10 Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series 10 Preference Shares shall not be entitled to convert their shares into Series 9 Preference Shares if the Corporation determines that there would remain outstanding on a Series 10 Conversion Date less than 1,000,000 Series 9 Preference Shares, after having taken into account all Series 10 Preference Shares tendered for conversion into Series 9 Preference Shares and all Series 9 Preference Shares tendered for conversion into Series 10 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 10 Preference Shares at least seven days prior to the applicable Series 10 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 10 Conversion Date, at the expense of the Corporation, to such holders of Series 10 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 10 Preference Shares, certificates representing the Series 10 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 10 Conversion Date less than 1,000,000 Series 10 Preference Shares, after having taken into account all Series 10 Preference Shares tendered for conversion into Series 9 Preference Shares and all Series 9 Preference Shares tendered for conversion into Series 10 Preference Shares, then all of the remaining outstanding Series 10 Preference Shares shall be converted automatically into Series 9 Preference Shares on the basis of one Series 9 Preference Share for each Series 10 Preference Share on the applicable Series 10 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 10 Preference Shares at least seven days prior to the Series 10 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 10 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 10 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 10 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 10 Conversion Date. The Series 10 Conversion Notice shall indicate the number of Series 10 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 9 Preference Shares are in the Book-Based System, if the Series 9 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 10 Preference Shares to be converted, the Series 10 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 9 Preference Shares in some other name or names (the “**Series 9 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 9 Transferee and

such other matters as may be required by such law in order to determine the entitlement of such Series 9 Transferee to hold such Series 9 Preference Shares.

- (f) If all remaining outstanding Series 10 Preference Shares are to be converted into Series 9 Preference Shares on the applicable Series 10 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 10 Preference Shares that holders have not previously elected to convert shall be converted on the Series 10 Conversion Date into Series 9 Preference Shares and the holders thereof shall be deemed to be holders of Series 9 Preference Shares at 5:00 p.m. (Toronto time) on the Series 10 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 10 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 9 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 10 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 9 Preference Shares registered in the name of the holders of the Series 10 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 10 Preference Shares of the certificate or certificates for the Series 10 Preference Shares to be converted. If only a part of such Series 10 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 10 Conversion Notice, the Series 10 Preference Shares converted into Series 9 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 10 Preference Shares to be converted share certificates representing the Series 9 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 9 Preference Shares upon conversion of any Series 10 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 9 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 9 Preference Shares or is unable to deliver Series 9 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 9 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 9 Preference Shares, and the Corporation shall attempt to sell such Series 9 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 9 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 9 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 10 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 10 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 10 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 10 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 10 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 10 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 10 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 10 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 10 Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 10 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 10 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 10 Preference Shares will be required to pay tax on dividends received on the Series 10 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 10 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 10 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 10 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 10 Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 10 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 10 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 10 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 10 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 10 Preference Shares or the delivery of Series 10 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 10 Preference Shares, the cash redemption price for the Series 10 Preference Shares or certificates for Series 9 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 10 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 10 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 10 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 10 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 10 Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 10 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 10 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 10 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 10 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 10 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 10 Preference Shares**

The approval of the holders of the Series 10 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 10 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 10 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 10 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 10 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 10 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 10 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 10 Preference Shares. Notice of any such original meeting of the holders of the Series 10 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and

the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 10 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 10 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 10 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 10 Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Virginie Ethier

Director / Directeur

2014-05-20

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
**Enbridge Inc.**
- 
- 2 Corporation number  
Numéro de la société  
**227602-0**
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
\_\_\_\_\_  
Tyler W. Robinson  
(403) 231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirtieth series of Preference Shares of the Corporation shall consist of 20,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 11 (the “**Series 11 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 11 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 11 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.64%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 11 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 11 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.64%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series 11 Preference Shares to but excluding March 1, 2020;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2020;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series 11 Conversion Date**” means March 1, 2020, and March 1 in every fifth year thereafter;
  - (xxvi) “**Series 12 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 12 of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2020 to but excluding March 1, 2025, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 11 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 11 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.10 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on September 1, 2014, and, if the Series 11 Preference Shares are issued on May 22, 2014, shall be in the amount of \$0.3074 per Series 11 Preference Share, and if the Series 11 Preference Shares are issued after May 22, 2014, will be an amount that is prorated to reflect the period of time for which the Series 11 Preference Shares are outstanding prior to September 1, 2014, with such amount being determined by multiplying \$1.10 by the number of days in the period from and including the date of issue of the Series 11 Preference Shares to but excluding September 1, 2014, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 11 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 11 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 11 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 11 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 11 Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends,

including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 11 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 11 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 11 Preference Shares or through the facilities of any stock exchange on which the Series 11 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 11 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 11 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 11 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 11 Preference Shares so offered by each of the holders of Series 11 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 11 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 11 Preference Shares or any of them prior to March 1, 2020. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on March 1, 2020 and on March 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 11 Preference Shares on payment of \$25.00 cash per Series 11 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 11 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 11 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 11 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 11 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 11 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 11 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 11 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 11 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 11 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 11 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 11 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 12 Preference Shares**

- (a) The Series 11 Preference Shares shall not be convertible prior to March 1, 2020. Holders of Series 11 Preference Shares shall have the right to elect to convert on each Series 11 Conversion Date, subject to the provisions hereof, all or any of their Series 11 Preference Shares into Series 12 Preference Shares on the basis of one Series 12 Preference Share for each Series 11 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series

11 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 11 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 11 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 11 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 11 Preference Shares of the Annual Fixed Dividend Rate for the Series 11 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 12 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 11 Preference Shares of the redemption of all of the Series 11 Preference Shares, then the right of a holder of Series 11 Preference Shares to convert such Series 11 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 11 Preference Shares shall not be entitled to convert their shares into Series 12 Preference Shares if the Corporation determines that there would remain outstanding on a Series 11 Conversion Date less than 1,000,000 Series 12 Preference Shares, after having taken into account all Series 11 Preference Shares tendered for conversion into Series 12 Preference Shares and all Series 12 Preference Shares tendered for conversion into Series 11 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 11 Preference Shares at least seven days prior to the applicable Series 11 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 11 Conversion Date, at the expense of the Corporation, to such holders of Series 11 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 11 Preference Shares, certificates representing the Series 11 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 11 Conversion Date less than 1,000,000 Series 11 Preference Shares, after having taken into account all Series 11 Preference Shares tendered for conversion into Series 12 Preference Shares and all Series 12 Preference Shares tendered for conversion into Series 11 Preference Shares, then all of the remaining outstanding Series 11 Preference Shares shall be converted automatically into Series 12 Preference Shares on the basis of one Series 12 Preference Share for each Series 11 Preference Share on the applicable Series 11 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 11 Preference Shares at least seven days prior to the Series 11 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 11 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 11**

**Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 11 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 11 Conversion Date. The Series 11 Conversion Notice shall indicate the number of Series 11 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 12 Preference Shares are in the Book-Based System, if the Series 12 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 11 Preference Shares to be converted, the Series 11 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 12 Preference Shares in some other name or names (the “**Series 12 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 12 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 12 Transferee to hold such Series 12 Preference Shares.

- (f) If all remaining outstanding Series 11 Preference Shares are to be converted into Series 12 Preference Shares on the applicable Series 11 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 11 Preference Shares that holders have not previously elected to convert shall be converted on the Series 11 Conversion Date into Series 12 Preference Shares and the holders thereof shall be deemed to be holders of Series 12 Preference Shares at 5:00 p.m. (Toronto time) on the Series 11 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 11 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 12 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 11 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 12 Preference Shares registered in the name of the holders of the Series 11 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 11 Preference Shares of the certificate or certificates for the Series 11 Preference Shares to be converted. If only a part of such Series 11 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 11 Conversion Notice, the Series 11 Preference Shares converted into Series 12 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the

holders of the Series 11 Preference Shares to be converted share certificates representing the Series 12 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 12 Preference Shares upon conversion of any Series 11 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 12 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 12 Preference Shares or is unable to deliver Series 12 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 12 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 12 Preference Shares, and the Corporation shall attempt to sell such Series 12 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 12 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 12 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 11 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 11 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 11 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms.

After payment to the holders of the Series 11 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 11 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 11 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 11 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 11 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 11 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 11 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 11 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 11 Preference Shares will be required to pay tax on dividends received on the Series 11 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or

withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 11 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 11 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 11 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 11 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 11 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 11 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 11 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 11 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 11 Preference Shares or the delivery of Series 11 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 11 Preference Shares, the cash redemption price for the Series 11 Preference Shares or certificates for Series 12 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 11 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the

Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 11 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 11 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 11 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 11 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 11 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 11 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 11 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 11 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 11 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 11 Preference Shares**

The approval of the holders of the Series 11 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 11 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 11 Preference Shares duly called and

held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 11 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 11 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 11 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 11 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 11 Preference Shares. Notice of any such original meeting of the holders of the Series 11 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 11 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 11 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 11 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 11 Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-first series of Preference Shares of the Corporation shall consist of 20,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 12 (the “**Series 12 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 12 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 12 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.64%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 12 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 12 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.64%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2020;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series 11 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 11 of the Corporation;
  - (xxv) “**Series 12 Conversion Date**” means March 1, 2025, and March 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2020 to but excluding March 1, 2025, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 12 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 12 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series 12 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 12 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 12 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 12 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 12 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 12 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 12 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 12 Preference Shares or through the facilities of any stock exchange on which the Series 12 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 12 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a

board lot of the Series 12 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 12 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 12 Preference Shares so offered by each of the holders of Series 12 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 12 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 12 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 12 Conversion Date on or after March 1, 2025; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after March 1, 2020 that is not a Series 12 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 12 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 12 Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 12 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 12 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 12 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 12 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 12

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 12 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 12 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 12 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 12 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 12 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 11 Preference Shares**

- (a) The Series 12 Preference Shares shall not be convertible prior to March 1, 2025. Holders of Series 12 Preference Shares shall have the right to elect to convert on each Series 12 Conversion Date, subject to the provisions hereof, all or any of their Series 12 Preference Shares into Series 11 Preference Shares on the basis of one Series 11 Preference Share for each Series 12 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 12 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 12 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 12 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 12 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 12 Preference Shares of the Annual Fixed Dividend Rate for the Series 11 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 12 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 12 Preference Shares of the redemption of all of the Series 12 Preference Shares, then the right of a holder of Series 12 Preference Shares to convert such Series 12 Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series 12 Preference Shares shall not be entitled to convert their shares into Series 11 Preference Shares if the Corporation determines that there would remain outstanding on a Series 12 Conversion Date less than 1,000,000 Series 11 Preference Shares, after having taken into account all Series 12 Preference Shares tendered for conversion into Series 11 Preference Shares and all Series 11 Preference Shares tendered for conversion into Series 12 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 12 Preference Shares at least seven days prior to the applicable Series 12 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 12 Conversion Date, at the expense of the Corporation, to such holders of Series 12 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 12 Preference Shares, certificates representing the Series 12 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 12 Conversion Date less than 1,000,000 Series 12 Preference Shares, after having taken into account all Series 12 Preference Shares tendered for conversion into Series 11 Preference Shares and all Series 11 Preference Shares tendered for conversion into Series 12 Preference Shares, then all of the remaining outstanding Series 12 Preference Shares shall be converted automatically into Series 11 Preference Shares on the basis of one Series 11 Preference Share for each Series 12 Preference Share on the applicable Series 12 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 12 Preference Shares at least seven days prior to the Series 12 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 12 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 12 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 12 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 12 Conversion Date. The Series 12 Conversion Notice shall indicate the number of Series 12 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 11 Preference Shares are in the Book-Based System, if the Series 11 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 12 Preference Shares to be converted, the Series 12 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 11 Preference Shares in some other name or names (the “**Series 11 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 11 Transferee and

such other matters as may be required by such law in order to determine the entitlement of such Series 11 Transferee to hold such Series 11 Preference Shares.

- (f) If all remaining outstanding Series 12 Preference Shares are to be converted into Series 11 Preference Shares on the applicable Series 12 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 12 Preference Shares that holders have not previously elected to convert shall be converted on the Series 12 Conversion Date into Series 11 Preference Shares and the holders thereof shall be deemed to be holders of Series 11 Preference Shares at 5:00 p.m. (Toronto time) on the Series 12 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 12 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 11 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 12 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 11 Preference Shares registered in the name of the holders of the Series 12 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 12 Preference Shares of the certificate or certificates for the Series 12 Preference Shares to be converted. If only a part of such Series 12 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 12 Conversion Notice, the Series 12 Preference Shares converted into Series 11 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 12 Preference Shares to be converted share certificates representing the Series 11 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 11 Preference Shares upon conversion of any Series 12 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 11 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 11 Preference Shares or is unable to deliver Series 11 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 11 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 11 Preference Shares, and the Corporation shall attempt to sell such Series 11 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 11 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 11 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 12 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 12 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 12 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 12 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 12 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 12 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 12 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 12 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 12 Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 12 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 12 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 12 Preference Shares will be required to pay tax on dividends received on the Series 12 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 12 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 12 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 12 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 12 Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 12 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 12 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 12 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 12 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 12 Preference Shares or the delivery of Series 12 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 12 Preference Shares, the cash redemption price for the Series 12 Preference Shares or certificates for Series 11 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 12 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 12 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 12 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 12 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 12 Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 12 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 12 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 12 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 12 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 12 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 12 Preference Shares**

The approval of the holders of the Series 12 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 12 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 12 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 12 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 12 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 12 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 12 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 12 Preference Shares. Notice of any such original meeting of the holders of the Series 12 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and

the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 12 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 12 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 12 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 12 Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Virginie Ethier

Director / Directeur

2014-07-15

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
**Enbridge Inc.**
- 
- 2 Corporation number  
Numéro de la société  
**227602-0**
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
\_\_\_\_\_  
Tyler W. Robinson  
403-231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-second series of Preference Shares of the Corporation shall consist of 14,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 13 (the “**Series 13 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 13 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 13 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.66%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 13 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 13 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.66%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series 13 Preference Shares to but excluding June 1, 2020;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2020;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series 13 Conversion Date**” means June 1, 2020, and June 1 in every fifth year thereafter;
  - (xxvi) “**Series 14 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 14 of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2020 to but excluding June 1, 2025, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 13 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 13 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.10 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on December 1, 2014, and, if the Series 13 Preference Shares are issued on July 17, 2014, shall be in the amount of \$0.4129 per Series 13 Preference Share, and if the Series 13 Preference Shares are issued after July 17, 2014, will be an amount that is prorated to reflect the period of time for which the Series 13 Preference Shares are outstanding prior to December 1, 2014, with such amount being determined by multiplying \$1.10 by the number of days in the period from and including the date of issue of the Series 13 Preference Shares to but excluding December 1, 2014, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 13 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 13 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 13 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 13 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 13 Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends,

including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 13 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 13 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 13 Preference Shares or through the facilities of any stock exchange on which the Series 13 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 13 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 13 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 13 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 13 Preference Shares so offered by each of the holders of Series 13 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 13 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 13 Preference Shares or any of them prior to June 1, 2020. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on June 1, 2020 and on June 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 13 Preference Shares on payment of \$25.00 cash per Series 13 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 13 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 13 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 13 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 13 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 13 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 13 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 13 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 13 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 13 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 13 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 13 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 14 Preference Shares**

- (a) The Series 13 Preference Shares shall not be convertible prior to June 1, 2020. Holders of Series 13 Preference Shares shall have the right to elect to convert on each Series 13 Conversion Date, subject to the provisions hereof, all or any of their Series 13 Preference Shares into Series 14 Preference Shares on the basis of one Series 14 Preference Share for each Series 13 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series

13 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 13 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 13 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 13 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 13 Preference Shares of the Annual Fixed Dividend Rate for the Series 13 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 14 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 13 Preference Shares of the redemption of all of the Series 13 Preference Shares, then the right of a holder of Series 13 Preference Shares to convert such Series 13 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 13 Preference Shares shall not be entitled to convert their shares into Series 14 Preference Shares if the Corporation determines that there would remain outstanding on a Series 13 Conversion Date less than 1,000,000 Series 14 Preference Shares, after having taken into account all Series 13 Preference Shares tendered for conversion into Series 14 Preference Shares and all Series 14 Preference Shares tendered for conversion into Series 13 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 13 Preference Shares at least seven days prior to the applicable Series 13 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 13 Conversion Date, at the expense of the Corporation, to such holders of Series 13 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 13 Preference Shares, certificates representing the Series 13 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 13 Conversion Date less than 1,000,000 Series 13 Preference Shares, after having taken into account all Series 13 Preference Shares tendered for conversion into Series 14 Preference Shares and all Series 14 Preference Shares tendered for conversion into Series 13 Preference Shares, then all of the remaining outstanding Series 13 Preference Shares shall be converted automatically into Series 14 Preference Shares on the basis of one Series 14 Preference Share for each Series 13 Preference Share on the applicable Series 13 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 13 Preference Shares at least seven days prior to the Series 13 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 13 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 13**

**Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 13 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 13 Conversion Date. The Series 13 Conversion Notice shall indicate the number of Series 13 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 14 Preference Shares are in the Book-Based System, if the Series 14 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 13 Preference Shares to be converted, the Series 13 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 14 Preference Shares in some other name or names (the “**Series 14 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 14 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 14 Transferee to hold such Series 14 Preference Shares.

- (f) If all remaining outstanding Series 13 Preference Shares are to be converted into Series 14 Preference Shares on the applicable Series 13 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 13 Preference Shares that holders have not previously elected to convert shall be converted on the Series 13 Conversion Date into Series 14 Preference Shares and the holders thereof shall be deemed to be holders of Series 14 Preference Shares at 5:00 p.m. (Toronto time) on the Series 13 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 13 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 14 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 13 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 14 Preference Shares registered in the name of the holders of the Series 13 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 13 Preference Shares of the certificate or certificates for the Series 13 Preference Shares to be converted. If only a part of such Series 13 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 13 Conversion Notice, the Series 13 Preference Shares converted into Series 14 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the

holders of the Series 13 Preference Shares to be converted share certificates representing the Series 14 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 14 Preference Shares upon conversion of any Series 13 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 14 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 14 Preference Shares or is unable to deliver Series 14 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 14 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 14 Preference Shares, and the Corporation shall attempt to sell such Series 14 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 14 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 14 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 13 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 13 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 13 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms.

After payment to the holders of the Series 13 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 13 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 13 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 13 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 13 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 13 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 13 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 13 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 13 Preference Shares will be required to pay tax on dividends received on the Series 13 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or

withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 13 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 13 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 13 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 13 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 13 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 13 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 13 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 13 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 13 Preference Shares or the delivery of Series 13 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 13 Preference Shares, the cash redemption price for the Series 13 Preference Shares or certificates for Series 14 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 13 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the

Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 13 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 13 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 13 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 13 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 13 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 13 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 13 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 13 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 13 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 13 Preference Shares**

The approval of the holders of the Series 13 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 13 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 13 Preference Shares duly called and

held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 13 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 13 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 13 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 13 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 13 Preference Shares. Notice of any such original meeting of the holders of the Series 13 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 13 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 13 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 13 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 13 Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-third series of Preference Shares of the Corporation shall consist of 14,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 14 (the “**Series 14 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 14 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 14 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.66%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 14 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 14 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;
  - (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;

- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.66%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;
- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
- (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing June 1, 2020;

- (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series 13 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 13 of the Corporation;
  - (xxv) “**Series 14 Conversion Date**” means June 1, 2025, and June 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including June 1, 2020 to but excluding June 1, 2025, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding June 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 14 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 14 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.
- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the

Corporation and upon all holders of Series 14 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 14 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 14 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.

- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 14 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 14 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 14 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 14 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 14 Preference Shares or through the facilities of any stock exchange on which the Series 14 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 14 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a

board lot of the Series 14 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 14 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 14 Preference Shares so offered by each of the holders of Series 14 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 14 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 14 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 14 Conversion Date on or after June 1, 2025; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after June 1, 2020 that is not a Series 14 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 14 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 14 Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 14 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 14 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 14 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 14 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 14

Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 14 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 14 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 14 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 14 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 14 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 13 Preference Shares**

- (a) The Series 14 Preference Shares shall not be convertible prior to June 1, 2025. Holders of Series 14 Preference Shares shall have the right to elect to convert on each Series 14 Conversion Date, subject to the provisions hereof, all or any of their Series 14 Preference Shares into Series 13 Preference Shares on the basis of one Series 13 Preference Share for each Series 14 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 14 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 14 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 14 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 14 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 14 Preference Shares of the Annual Fixed Dividend Rate for the Series 13 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 14 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).
- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 14 Preference Shares of the redemption of all of the Series 14 Preference Shares, then the right of a holder of Series 14 Preference Shares to convert such Series 14 Preference Shares shall terminate effective on the date of such notice and the

Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.

- (c) Holders of Series 14 Preference Shares shall not be entitled to convert their shares into Series 13 Preference Shares if the Corporation determines that there would remain outstanding on a Series 14 Conversion Date less than 1,000,000 Series 13 Preference Shares, after having taken into account all Series 14 Preference Shares tendered for conversion into Series 13 Preference Shares and all Series 13 Preference Shares tendered for conversion into Series 14 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 14 Preference Shares at least seven days prior to the applicable Series 14 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 14 Conversion Date, at the expense of the Corporation, to such holders of Series 14 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 14 Preference Shares, certificates representing the Series 14 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 14 Conversion Date less than 1,000,000 Series 14 Preference Shares, after having taken into account all Series 14 Preference Shares tendered for conversion into Series 13 Preference Shares and all Series 13 Preference Shares tendered for conversion into Series 14 Preference Shares, then all of the remaining outstanding Series 14 Preference Shares shall be converted automatically into Series 13 Preference Shares on the basis of one Series 13 Preference Share for each Series 14 Preference Share on the applicable Series 14 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 14 Preference Shares at least seven days prior to the Series 14 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 14 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 14 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 14 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 14 Conversion Date. The Series 14 Conversion Notice shall indicate the number of Series 14 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 13 Preference Shares are in the Book-Based System, if the Series 13 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 14 Preference Shares to be converted, the Series 14 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 13 Preference Shares in some other name or names (the “**Series 13 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 13 Transferee and

such other matters as may be required by such law in order to determine the entitlement of such Series 13 Transferee to hold such Series 13 Preference Shares.

- (f) If all remaining outstanding Series 14 Preference Shares are to be converted into Series 13 Preference Shares on the applicable Series 14 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 14 Preference Shares that holders have not previously elected to convert shall be converted on the Series 14 Conversion Date into Series 13 Preference Shares and the holders thereof shall be deemed to be holders of Series 13 Preference Shares at 5:00 p.m. (Toronto time) on the Series 14 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 14 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 13 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 14 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 13 Preference Shares registered in the name of the holders of the Series 14 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 14 Preference Shares of the certificate or certificates for the Series 14 Preference Shares to be converted. If only a part of such Series 14 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 14 Conversion Notice, the Series 14 Preference Shares converted into Series 13 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 14 Preference Shares to be converted share certificates representing the Series 13 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 13 Preference Shares upon conversion of any Series 14 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 13 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 13 Preference Shares or is unable to deliver Series 13 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 13 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has

reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 13 Preference Shares, and the Corporation shall attempt to sell such Series 13 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 13 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 13 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 14 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 14 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 14 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 14 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 14 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 14 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 14 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 14 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 14 Preference Shares with respect to payment of dividends; or

- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 14 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 14 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 14 Preference Shares will be required to pay tax on dividends received on the Series 14 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 14 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 14 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 14 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 14 Preference Shares issued

by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 14 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 14 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.

- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 14 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 14 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 14 Preference Shares or the delivery of Series 14 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 14 Preference Shares, the cash redemption price for the Series 14 Preference Shares or certificates for Series 13 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 14 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 14 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 14 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 14 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 14 Preference Shares are subject to the

provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 14 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 14 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 14 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 14 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 14 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 14 Preference Shares**

The approval of the holders of the Series 14 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 14 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 14 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 14 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 14 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 14 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 14 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 14 Preference Shares. Notice of any such original meeting of the holders of the Series 14 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and

the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 14 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 14 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 14 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 14 Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Virginie Ethier

Director / Directeur

2014-09-19

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
**Enbridge Inc.**
- 
- 2 Corporation number  
Numéro de la société  
**227602-0**
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
**Tyler W. Robinson**

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**Tyler W. Robinson**  
**403-231-5935**

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-fourth series of Preference Shares of the Corporation shall consist of 11,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 15 (the “**Series 15 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 15 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 15 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.68%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 15 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 15 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.68%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**Initial Fixed Rate Period**” means the period from and including the date of issue of the Series 15 Preference Shares to but excluding September 1, 2020;
- (xvii) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) “**Participants**” means the participants in the Book-Based System;
- (xx) “**Preference Shares**” means the preference shares of the Corporation;
- (xxi) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from

and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing September 1, 2020;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series 15 Conversion Date**” means September 1, 2020, and September 1 in every fifth year thereafter;
  - (xxvi) “**Series 16 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 16 of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including September 1, 2020 to but excluding September 1, 2025, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding September 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 15 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 15 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.10 per share, payable quarterly on each Dividend Payment

Date in each year (less any tax required to be deducted and withheld by the Corporation). The first dividend, if declared, shall be payable on December 1, 2014, and, if the Series 15 Preference Shares are issued on September 23, 2014, shall be in the amount of \$0.2079 per Series 15 Preference Share, and if the Series 15 Preference Shares are issued after September 23, 2014, will be an amount that is prorated to reflect the period of time for which the Series 15 Preference Shares are outstanding prior to December 1, 2014, with such amount being determined by multiplying \$1.10 by the number of days in the period from and including the date of issue of the Series 15 Preference Shares to but excluding December 1, 2014, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 15 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 15 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 15 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 15 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 15 Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference

Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 15 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 15 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 15 Preference Shares or through the facilities of any stock exchange on which the Series 15 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 15 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 15 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 15 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 15 Preference Shares so offered by each of the holders of Series 15 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 15 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 15 Preference Shares or any of them prior to September 1, 2020. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on September 1, 2020 and on September 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 15 Preference Shares on payment of \$25.00 cash per Series 15 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 15 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 15 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 15 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 15 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 15 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 15 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 15 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 15 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 15 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 15 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 15 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 16 Preference Shares**

- (a) The Series 15 Preference Shares shall not be convertible prior to September 1, 2020. Holders of Series 15 Preference Shares shall have the right to elect to convert on each Series 15 Conversion Date, subject to the provisions hereof, all or any of their Series 15 Preference Shares into Series 16 Preference Shares on the basis of one Series 16 Preference Share for each Series 15 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series

15 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 15 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 15 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 15 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 15 Preference Shares of the Annual Fixed Dividend Rate for the Series 15 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 16 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 15 Preference Shares of the redemption of all of the Series 15 Preference Shares, then the right of a holder of Series 15 Preference Shares to convert such Series 15 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 15 Preference Shares shall not be entitled to convert their shares into Series 16 Preference Shares if the Corporation determines that there would remain outstanding on a Series 15 Conversion Date less than 1,000,000 Series 16 Preference Shares, after having taken into account all Series 15 Preference Shares tendered for conversion into Series 16 Preference Shares and all Series 16 Preference Shares tendered for conversion into Series 15 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 15 Preference Shares at least seven days prior to the applicable Series 15 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 15 Conversion Date, at the expense of the Corporation, to such holders of Series 15 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 15 Preference Shares, certificates representing the Series 15 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 15 Conversion Date less than 1,000,000 Series 15 Preference Shares, after having taken into account all Series 15 Preference Shares tendered for conversion into Series 16 Preference Shares and all Series 16 Preference Shares tendered for conversion into Series 15 Preference Shares, then all of the remaining outstanding Series 15 Preference Shares shall be converted automatically into Series 16 Preference Shares on the basis of one Series 16 Preference Share for each Series 15 Preference Share on the applicable Series 15 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 15 Preference Shares at least seven days prior to the Series 15 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 15 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 15**

**Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 15 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 15 Conversion Date. The Series 15 Conversion Notice shall indicate the number of Series 15 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 16 Preference Shares are in the Book-Based System, if the Series 16 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 15 Preference Shares to be converted, the Series 15 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 16 Preference Shares in some other name or names (the “**Series 16 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 16 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 16 Transferee to hold such Series 16 Preference Shares.

- (f) If all remaining outstanding Series 15 Preference Shares are to be converted into Series 16 Preference Shares on the applicable Series 15 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 15 Preference Shares that holders have not previously elected to convert shall be converted on the Series 15 Conversion Date into Series 16 Preference Shares and the holders thereof shall be deemed to be holders of Series 16 Preference Shares at 5:00 p.m. (Toronto time) on the Series 15 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 15 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 16 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 15 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 16 Preference Shares registered in the name of the holders of the Series 15 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 15 Preference Shares of the certificate or certificates for the Series 15 Preference Shares to be converted. If only a part of such Series 15 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 15 Conversion Notice, the Series 15 Preference Shares converted into Series 16 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the

holders of the Series 15 Preference Shares to be converted share certificates representing the Series 16 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 16 Preference Shares upon conversion of any Series 15 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 16 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 16 Preference Shares or is unable to deliver Series 16 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 16 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 16 Preference Shares, and the Corporation shall attempt to sell such Series 16 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 16 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 16 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 15 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 15 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 15 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms.

After payment to the holders of the Series 15 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 15 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 15 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 15 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 15 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 15 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 15 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 15 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 15 Preference Shares will be required to pay tax on dividends received on the Series 15 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or

withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 15 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 15 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 15 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 15 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 15 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 15 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 15 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 15 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 15 Preference Shares or the delivery of Series 15 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 15 Preference Shares, the cash redemption price for the Series 15 Preference Shares or certificates for Series 16 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 15 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the

Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 15 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 15 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 15 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 15 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 15 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 15 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 15 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 15 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 15 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 15 Preference Shares**

The approval of the holders of the Series 15 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 15 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 15 Preference Shares duly called and

held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 15 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 15 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 15 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 15 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 15 Preference Shares. Notice of any such original meeting of the holders of the Series 15 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 15 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 15 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 15 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 15 Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-fifth series of Preference Shares of the Corporation shall consist of 11,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 16 (the “**Series 16 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 16 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 16 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 2.68%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 16 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 16 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) “**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) “**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 2.68%;
- (xiii) “**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (xv) “**Government of Canada Yield**” on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) “**Participants**” means the participants in the Book-Based System;
- (xix) “**Preference Shares**” means the preference shares of the Corporation;
- (xx) “**Pro Rated Dividend**” means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing September 1, 2020;
  - (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series 15 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 15 of the Corporation;
  - (xxv) “**Series 16 Conversion Date**” means September 1, 2025, and September 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including September 1, 2020 to but excluding September 1, 2025, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding September 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 16 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 16 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the

denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series 16 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 16 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 16 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 16 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 16 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 16 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out

of capital or otherwise, the whole or any part of the Series 16 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 16 Preference Shares or through the facilities of any stock exchange on which the Series 16 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 16 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 16 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 16 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 16 Preference Shares so offered by each of the holders of Series 16 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 16 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 16 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 16 Conversion Date on or after September 1, 2025; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after September 1, 2020 that is not a Series 16 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 16 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 16 Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 16 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 16 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 16 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place

and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 16 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 16 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 16 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 16 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 16 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 16 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 16 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 15 Preference Shares**

- (a) The Series 16 Preference Shares shall not be convertible prior to September 1, 2025. Holders of Series 16 Preference Shares shall have the right to elect to convert on each Series 16 Conversion Date, subject to the provisions hereof, all or any of their Series 16 Preference Shares into Series 15 Preference Shares on the basis of one Series 15 Preference Share for each Series 16 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 16 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 16 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 16 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 16 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 16 Preference Shares of the Annual Fixed Dividend Rate for the Series 15 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 16 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 16 Preference Shares of the redemption of all of the Series 16 Preference Shares, then the right of a holder of Series 16 Preference Shares to convert such Series 16 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 16 Preference Shares shall not be entitled to convert their shares into Series 15 Preference Shares if the Corporation determines that there would remain outstanding on a Series 16 Conversion Date less than 1,000,000 Series 15 Preference Shares, after having taken into account all Series 16 Preference Shares tendered for conversion into Series 15 Preference Shares and all Series 15 Preference Shares tendered for conversion into Series 16 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 16 Preference Shares at least seven days prior to the applicable Series 16 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 16 Conversion Date, at the expense of the Corporation, to such holders of Series 16 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 16 Preference Shares, certificates representing the Series 16 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 16 Conversion Date less than 1,000,000 Series 16 Preference Shares, after having taken into account all Series 16 Preference Shares tendered for conversion into Series 15 Preference Shares and all Series 15 Preference Shares tendered for conversion into Series 16 Preference Shares, then all of the remaining outstanding Series 16 Preference Shares shall be converted automatically into Series 15 Preference Shares on the basis of one Series 15 Preference Share for each Series 16 Preference Share on the applicable Series 16 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 16 Preference Shares at least seven days prior to the Series 16 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 16 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 16 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 16 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 16 Conversion Date. The Series 16 Conversion Notice shall indicate the number of Series 16 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 15 Preference Shares are in the Book-Based System, if the Series 15 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 16 Preference Shares to be converted, the Series 16 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar

directing the Corporation to register the Series 15 Preference Shares in some other name or names (the “**Series 15 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 15 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 15 Transferee to hold such Series 15 Preference Shares.

- (f) If all remaining outstanding Series 16 Preference Shares are to be converted into Series 15 Preference Shares on the applicable Series 16 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 16 Preference Shares that holders have not previously elected to convert shall be converted on the Series 16 Conversion Date into Series 15 Preference Shares and the holders thereof shall be deemed to be holders of Series 15 Preference Shares at 5:00 p.m. (Toronto time) on the Series 16 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 16 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 15 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 16 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 15 Preference Shares registered in the name of the holders of the Series 16 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 16 Preference Shares of the certificate or certificates for the Series 16 Preference Shares to be converted. If only a part of such Series 16 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 16 Conversion Notice, the Series 16 Preference Shares converted into Series 15 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 16 Preference Shares to be converted share certificates representing the Series 15 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 15 Preference Shares upon conversion of any Series 16 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 15 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or

- (ii) for any reason beyond its control, the Corporation is unable to issue Series 15 Preference Shares or is unable to deliver Series 15 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 15 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 15 Preference Shares, and the Corporation shall attempt to sell such Series 15 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 15 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 15 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 16 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 16 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 16 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 16 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 16 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 16 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 16 Preference Shares with respect to payment of dividends;

- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 16 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 16 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 16 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 16 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 16 Preference Shares will be required to pay tax on dividends received on the Series 16 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 16 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 16 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 16 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 16 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants and registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 16 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 16 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 16 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 16 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 16 Preference Shares or the delivery of Series 16 Preference Shares and certificates therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 16 Preference Shares, the cash redemption price for the Series 16 Preference Shares or certificates for Series 15 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 16 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 16 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 16 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate to the transfer agent and registrar for the Series 16 Preference Shares accompanied by registration instructions for re-registration, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the

Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 16 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 16 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 16 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 16 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 16 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 16 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 16 Preference Shares**

The approval of the holders of the Series 16 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 16 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 16 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 16 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 16 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 16 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 16 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 16 Preference Shares.

Notice of any such original meeting of the holders of the Series 16 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 16 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 16 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 16 Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 16 Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Virginie Ethier

Director / Directeur

2016-11-22

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**

**Articles of Amendment**

*Canada Business Corporations Act  
(CBCA) (s. 27 or 177)*

**Formulaire 4**

**Clauses modificatrices**

*Loi canadienne sur les sociétés par  
actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Vas Antoniou  
\_\_\_\_\_  
Vas Antoniou  
403-767-4545

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-sixth series of Preference Shares of the Corporation shall consist of 30,000,000 shares designated as Cumulative Redeemable Minimum Rate Reset Preference Shares, Series 17 (the “**Series 17 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 17 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 17 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 4.14%, provided that, in any event, such rate shall not be less than 5.15%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 17 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 17 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) **“Fixed Rate Calculation Date”** means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) **“Floating Quarterly Dividend Rate”** means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 4.14%;
- (xiii) **“Floating Rate Calculation Date”** means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (xv) **“Government of Canada Yield”** on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) **“Initial Fixed Rate Period”** means the period from and including the date of issue of the Series 17 Preference Shares to but excluding March 1, 2022;
- (xvii) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) **“Participants”** means the participants in the Book-Based System;
- (xx) **“Preference Shares”** means the preference shares of the Corporation;
- (xxi) **“Pro Rated Dividend”** means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2022;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series 17 Conversion Date**” means March 1, 2022, and March 1 in every fifth year thereafter;
  - (xxvi) “**Series 18 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 18 of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2022 to but excluding March 1, 2027, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 17 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 17 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.2875 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on March 1, 2017, and, if the Series 17 Preference Shares are issued on November 23, 2016, shall be in the amount of \$0.3457 per Series 17 Preference Share, and if the Series 17 Preference Shares are issued after November 23, 2016, will be an amount that is prorated to reflect the period of time for which the Series 17 Preference Shares are outstanding prior to March 1, 2017, with such amount being determined by multiplying \$1.2875 by the number of days in the period from and including the date of issue of the Series 17 Preference Shares to but excluding March 1, 2017, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 17 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 17 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 17 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 17 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 17 Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends,

including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 17 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 17 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 17 Preference Shares or through the facilities of any stock exchange on which the Series 17 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 17 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 17 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 17 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 17 Preference Shares so offered by each of the holders of Series 17 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 17 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 17 Preference Shares or any of them prior to March 1, 2022. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on March 1, 2022 and on March 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 17 Preference Shares on payment of \$25.00 cash per Series 17 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 17 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 17 Preference Share is \$25.00.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 17 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 17 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 17 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 17 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 17 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 17 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 17 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 17 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 17 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 17 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 18 Preference Shares**

- (a) The Series 17 Preference Shares shall not be convertible prior to March 1, 2022. Holders of Series 17 Preference Shares shall have the right to elect to convert on each Series 17 Conversion Date, subject to the provisions hereof, all or any of their Series 17 Preference Shares into Series 18 Preference Shares on the basis of one Series 18 Preference Share for each Series 17 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series

17 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 17 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 17 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 17 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 17 Preference Shares of the Annual Fixed Dividend Rate for the Series 17 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 18 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 17 Preference Shares of the redemption of all of the Series 17 Preference Shares, then the right of a holder of Series 17 Preference Shares to convert such Series 17 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 17 Preference Shares shall not be entitled to convert their shares into Series 18 Preference Shares if the Corporation determines that there would remain outstanding on a Series 17 Conversion Date less than 1,000,000 Series 18 Preference Shares, after having taken into account all Series 17 Preference Shares tendered for conversion into Series 18 Preference Shares and all Series 18 Preference Shares tendered for conversion into Series 17 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 17 Preference Shares at least seven days prior to the applicable Series 17 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 17 Conversion Date, at the expense of the Corporation, to such holders of Series 17 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 17 Preference Shares, certificates representing the Series 17 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 17 Conversion Date less than 1,000,000 Series 17 Preference Shares, after having taken into account all Series 17 Preference Shares tendered for conversion into Series 18 Preference Shares and all Series 18 Preference Shares tendered for conversion into Series 17 Preference Shares, then all of the remaining outstanding Series 17 Preference Shares shall be converted automatically into Series 18 Preference Shares on the basis of one Series 18 Preference Share for each Series 17 Preference Share on the applicable Series 17 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 17 Preference Shares at least seven days prior to the Series 17 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 17 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 17**

**Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 17 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 17 Conversion Date. The Series 17 Conversion Notice shall indicate the number of Series 17 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 18 Preference Shares are in the Book-Based System, if the Series 18 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 17 Preference Shares to be converted, the Series 17 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 18 Preference Shares in some other name or names (the “**Series 18 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 18 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 18 Transferee to hold such Series 18 Preference Shares.

- (f) If all remaining outstanding Series 17 Preference Shares are to be converted into Series 18 Preference Shares on the applicable Series 17 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 17 Preference Shares that holders have not previously elected to convert shall be converted on the Series 17 Conversion Date into Series 18 Preference Shares and the holders thereof shall be deemed to be holders of Series 18 Preference Shares at 5:00 p.m. (Toronto time) on the Series 17 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 17 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 18 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 17 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 18 Preference Shares registered in the name of the holders of the Series 17 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 17 Preference Shares of the certificate or certificates for the Series 17 Preference Shares to be converted. If only a part of such Series 17 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 17 Conversion Notice, the Series 17 Preference Shares converted into Series 18 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the

holders of the Series 17 Preference Shares to be converted share certificates representing the Series 18 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 18 Preference Shares upon conversion of any Series 17 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 18 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 18 Preference Shares or is unable to deliver Series 18 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 18 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 18 Preference Shares, and the Corporation shall attempt to sell such Series 18 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 18 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 18 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 17 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 17 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 17 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms.

After payment to the holders of the Series 17 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 17 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 17 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 17 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 17 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 17 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 17 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 17 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 17 Preference Shares will be required to pay tax on dividends received on the Series 17 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or

withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 17 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 17 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 17 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 17 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 17 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 17 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 17 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 17 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 17 Preference Shares or the delivery of Series 17 Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 17 Preference Shares, the cash redemption price for the Series 17 Preference Shares or certificates for Series 18 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 17 Preference Shares.

- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 17 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 17 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Series 17 Preference Shares and registration instructions for re-registration of the Series 17 Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 17 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 17 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 17 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 17 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 17 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 17 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 17 Preference Shares**

The approval of the holders of the Series 17 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 17

Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 17 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 17 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 17 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 17 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 17 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 17 Preference Shares. Notice of any such original meeting of the holders of the Series 17 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 17 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 17 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 17 Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 17 Preference Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-seventh series of Preference Shares of the Corporation shall consist of 30,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 18 (the “**Series 18 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 18 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 18 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 4.14%, provided that, in any event, such rate shall not be less than 5.15%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 18 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 18 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) **“Fixed Rate Calculation Date”** means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) **“Floating Quarterly Dividend Rate”** means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 4.14%;
- (xiii) **“Floating Rate Calculation Date”** means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (xv) **“Government of Canada Yield”** on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) **“Participants”** means the participants in the Book-Based System;
- (xix) **“Preference Shares”** means the preference shares of the Corporation;
- (xx) **“Pro Rated Dividend”** means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2022;
  - (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series 17 Preference Shares**” means the Cumulative Redeemable Minimum Rate Reset Preference Shares, Series 17 of the Corporation;
  - (xxv) “**Series 18 Conversion Date**” means March 1, 2027, and March 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2022 to but excluding March 1, 2027, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 18 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 18 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the

denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series 18 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 18 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 18 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 18 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 18 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 18 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out

of capital or otherwise, the whole or any part of the Series 18 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 18 Preference Shares or through the facilities of any stock exchange on which the Series 18 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 18 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 18 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 18 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 18 Preference Shares so offered by each of the holders of Series 18 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 18 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 18 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 18 Conversion Date on or after March 1, 2027; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after March 1, 2022 that is not a Series 18 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 18 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 18 Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 18 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 18 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 18 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place

and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 18 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 18 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 18 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 18 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 18 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 18 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 18 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 17 Preference Shares**

- (a) The Series 18 Preference Shares shall not be convertible prior to March 1, 2027. Holders of Series 18 Preference Shares shall have the right to elect to convert on each Series 18 Conversion Date, subject to the provisions hereof, all or any of their Series 18 Preference Shares into Series 17 Preference Shares on the basis of one Series 17 Preference Share for each Series 18 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 18 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 18 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 18 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 18 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 18 Preference Shares of the Annual Fixed Dividend Rate for the Series 17 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 18 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 18 Preference Shares of the redemption of all of the Series 18 Preference Shares, then the right of a holder of Series 18 Preference Shares to convert such Series 18 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 18 Preference Shares shall not be entitled to convert their shares into Series 17 Preference Shares if the Corporation determines that there would remain outstanding on a Series 18 Conversion Date less than 1,000,000 Series 17 Preference Shares, after having taken into account all Series 18 Preference Shares tendered for conversion into Series 17 Preference Shares and all Series 17 Preference Shares tendered for conversion into Series 18 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 18 Preference Shares at least seven days prior to the applicable Series 18 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 18 Conversion Date, at the expense of the Corporation, to such holders of Series 18 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 18 Preference Shares, certificates representing the Series 18 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 18 Conversion Date less than 1,000,000 Series 18 Preference Shares, after having taken into account all Series 18 Preference Shares tendered for conversion into Series 17 Preference Shares and all Series 17 Preference Shares tendered for conversion into Series 18 Preference Shares, then all of the remaining outstanding Series 18 Preference Shares shall be converted automatically into Series 17 Preference Shares on the basis of one Series 17 Preference Share for each Series 18 Preference Share on the applicable Series 18 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 18 Preference Shares at least seven days prior to the Series 18 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 18 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 18 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 18 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 18 Conversion Date. The Series 18 Conversion Notice shall indicate the number of Series 18 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 17 Preference Shares are in the Book-Based System, if the Series 17 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 18 Preference Shares to be converted, the Series 18 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar

directing the Corporation to register the Series 17 Preference Shares in some other name or names (the “**Series 17 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 17 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 17 Transferee to hold such Series 17 Preference Shares.

- (f) If all remaining outstanding Series 18 Preference Shares are to be converted into Series 17 Preference Shares on the applicable Series 18 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 18 Preference Shares that holders have not previously elected to convert shall be converted on the Series 18 Conversion Date into Series 17 Preference Shares and the holders thereof shall be deemed to be holders of Series 17 Preference Shares at 5:00 p.m. (Toronto time) on the Series 18 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 18 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 17 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 18 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 17 Preference Shares registered in the name of the holders of the Series 18 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 18 Preference Shares of the certificate or certificates for the Series 18 Preference Shares to be converted. If only a part of such Series 18 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 18 Conversion Notice, the Series 18 Preference Shares converted into Series 17 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 18 Preference Shares to be converted share certificates representing the Series 17 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 17 Preference Shares upon conversion of any Series 18 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 17 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or

- (ii) for any reason beyond its control, the Corporation is unable to issue Series 17 Preference Shares or is unable to deliver Series 17 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 17 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 17 Preference Shares, and the Corporation shall attempt to sell such Series 17 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 17 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 17 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 18 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 18 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 18 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 18 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 18 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 18 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 18 Preference Shares with respect to payment of dividends;

- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 18 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 18 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 18 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 18 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 18 Preference Shares will be required to pay tax on dividends received on the Series 18 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 18 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 18 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 18 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 18 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 18 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 18 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 18 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 18 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 18 Preference Shares or the delivery of Series 18 Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 18 Preference Shares, the cash redemption price for the Series 18 Preference Shares or certificates for Series 17 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 18 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 18 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 18 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Series 18 Preference Shares and registration instructions for re-registration of the Series 18 Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and

rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 18 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 18 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 18 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 18 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 18 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 18 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 18 Preference Shares**

The approval of the holders of the Series 18 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 18 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 18 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 18 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 18 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 18 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 18 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such

adjourned meeting shall constitute the approval of the holders of the Series 18 Preference Shares. Notice of any such original meeting of the holders of the Series 18 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 18 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 18 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 18 Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 18 Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Virginie Ethier

Director / Directeur

2016-12-15

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
**Enbridge Inc.**
- 
- 2 Corporation number  
Numéro de la société  
**227602-0**
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
**Tyler W. Robinson**  
\_\_\_\_\_  
**Tyler W. Robinson**  
**403-231-5935**

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-eighth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2016-A (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of Subordinate Notes, without the consent of the holders of such notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur including the entry of an order for relief against the Corporation or the appointment of a receiver,

interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets;

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as supplemented by the First Supplemental Indenture dated March 1, 2012 and as further supplemented by the Second Supplemental Indenture to be dated as of December 19, 2016;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xiii) “**Subordinate Notes**” means the 6.00% Fixed-to-Floating Subordinated Notes Series 2016-A due 2077 of the Corporation;
- (xiv) “**Participants**” means the participants in the Book-Based System;
- (xv) “**Perpetual Preference Share Rate**” means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the

interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xvi) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvii) “**Quarterly Dividend Payment Date**” means, in respect of dividends payable subsequent to January 15, 2027, April 15, July 15, October 15 and January 15 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xviii) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable during the period July 15, 2017 to and including January 15, 2027, January 15 and July 15 of each year during which any Conversion Preference Shares are issued and outstanding; and
  - (xix) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## **2. Issue Price**

The issue price of each whole Conversion Preference Share will be \$1,000.

## **3. Dividends**

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of

applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to January 15, 2027. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after January 15, 2027, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on any Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the

Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion

Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be

made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise

payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Virginie Ethier

Director / Directeur

2017-07-13

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

1 Corporate name  
Dénomination sociale  
Enbridge Inc.

2 Corporation number  
Numéro de la société  
227602-0

3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
Tyler W. Robinson  
403-231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The thirty-ninth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2017-A (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of Subordinate Notes, without the consent of the holders of such notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur including the entry of an order for relief against the Corporation or the appointment of a receiver,

interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets;

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as supplemented by the First Supplemental Indenture dated as of March 1, 2012, the Second Supplemental Indenture dated as of December 19, 2016, and as further supplemented by the Third Supplemental Indenture to be dated as of July 14, 2017;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) “**Participants**” means the participants in the Book-Based System;
- (xiv) “**Perpetual Preference Share Rate**” means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion

Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Quarterly Dividend Payment Date**” means, in respect of dividends payable for the period from and after July 15, 2027, October 15, January 15, April 15 and July 15 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from July 14, 2017 to but excluding July 15, 2027, January 15 and July 15 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xviii) “**Subordinate Notes**” means the 5.50% Fixed-to-Floating Rate Subordinated Notes Series 2017-A due 2077 of the Corporation; and
  - (xix) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of

applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to July 15, 2027. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after July 15, 2027, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on any Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the

Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion

Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be

made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise

payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Virginie Ethier

Director / Directeur

2017-09-25

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

1 Corporate name  
Dénomination sociale  
Enbridge Inc.

2 Corporation number  
Numéro de la société  
227602-0

3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
Tyler W. Robinson  
403-231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fortieth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2017-B (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of Subordinate Notes, without the consent of the holders of such notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the entry of an order for relief against the Corporation or the appointment of a

receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets);

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of October 20, 1997, between the Corporation and Computershare Trust Company of Canada as trustee, as supplemented by the First Supplemental Indenture dated as of November 28, 2001, the Second Supplemental Indenture dated as of December 21, 2011, and as further supplemented by the Third Supplemental Indenture to be dated as of September 26, 2017;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) “**Participants**” means the participants in the Book-Based System;
- (xiv) “**Perpetual Preference Share Rate**” means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion

Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Quarterly Dividend Payment Date**” means, in respect of dividends payable for the period from and after September 27, 2027, March 27, June 27, September 27 and December 27 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from September 26, 2017 to but excluding September 27, 2027, March 27 and September 27 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xviii) “**Subordinate Notes**” means the 5.375% Fixed-to-Floating Rate Subordinated Notes Series 2017-B due 2077 of the Corporation; and
  - (xix) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in Canadian dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of

applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to September 27, 2027. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after September 27, 2027, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on any Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the

Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion

Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be

made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise

payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Virginie Ethier

Director / Directeur

2017-12-07

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

1 Corporate name  
Dénomination sociale  
Enbridge Inc.

2 Corporation number  
Numéro de la société  
227602-0

3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
Tyler W. Robinson  
403-231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-first series of Preference Shares of the Corporation shall consist of 20,000,000 shares designated as Cumulative Redeemable Minimum Rate Reset Preference Shares, Series 19 (the “**Series 19 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 19 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 19 Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 3.17%, provided that, in any event, such rate shall not be less than 4.90%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR <INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 19 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 19 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) **“Fixed Rate Calculation Date”** means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) **“Floating Quarterly Dividend Rate”** means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.17%;
- (xiii) **“Floating Rate Calculation Date”** means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (xv) **“Government of Canada Yield”** on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) **“Initial Fixed Rate Period”** means the period from and including the date of issue of the Series 19 Preference Shares to but excluding March 1, 2023;
- (xvii) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xviii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xix) **“Participants”** means the participants in the Book-Based System;
- (xx) **“Preference Shares”** means the preference shares of the Corporation;
- (xxi) **“Pro Rated Dividend”** means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date

fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxii) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxiii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2023;
  - (xxiv) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxv) “**Series 19 Conversion Date**” means March 1, 2023, and March 1 in every fifth year thereafter;
  - (xxvi) “**Series 20 Preference Shares**” means the Cumulative Redeemable Preference Shares, Series 20 of the Corporation;
  - (xxvii) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2023 to but excluding March 1, 2028, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxviii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxix) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 19 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During the Initial Fixed Rate Period, the holders of the Series 19 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.225 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the

Corporation). The first dividend, if declared, shall be payable on March 1, 2018, and, if the Series 19 Preference Shares are issued on December 11, 2017, shall be in the amount of \$0.2685 per Series 19 Preference Share, and if the Series 19 Preference Shares are issued after December 11, 2017, will be an amount that is prorated to reflect the period of time for which the Series 19 Preference Shares are outstanding prior to March 1, 2018, with such amount being determined by multiplying \$1.225 by the number of days in the period from and including the date of issue of the Series 19 Preference Shares to but excluding March 1, 2018, and dividing that product by 365.

- (b) During each Subsequent Fixed Rate Period, the holders of the Series 19 Preference Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share equal to the Annual Fixed Dividend Rate multiplied by \$25.00 for such Subsequent Fixed Rate Period and shall be payable in equal quarterly amounts on each Dividend Payment Date in each year during such Subsequent Fixed Rate Period.
- (c) On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series 19 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 19 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (d) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (e) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 19 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 19 Preference Shares shall participate rateably with the Preference Shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends,

including accumulations, if any, in accordance with the sums which would be payable on the preference shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.

- (f) The holders of the Series 19 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, the whole or any part of the Series 19 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 19 Preference Shares or through the facilities of any stock exchange on which the Series 19 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 19 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 19 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 19 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 19 Preference Shares so offered by each of the holders of Series 19 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 19 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

### **4. Redemption**

The Corporation may not redeem the Series 19 Preference Shares or any of them prior to March 1, 2023. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on March 1, 2023 and on March 1 in every fifth year thereafter, the whole or any part of the then outstanding Series 19 Preference Shares on payment of \$25.00 cash per Series 19 Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 19 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 19 Preference Share is \$25.00.

## **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 19 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 19 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 19 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 19 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 19 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 19 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 19 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 19 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 19 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 19 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 20 Preference Shares**

- (a) The Series 19 Preference Shares shall not be convertible prior to March 1, 2023. Holders of Series 19 Preference Shares shall have the right to elect to convert on each Series 19 Conversion Date, subject to the provisions hereof, all or any of their Series 19 Preference Shares into Series 20 Preference Shares on the basis of one Series 20 Preference Share for each Series 19 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series

19 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(c) to the then registered holders of the Series 19 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 19 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 19 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 19 Preference Shares of the Annual Fixed Dividend Rate for the Series 19 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 20 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(c).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 19 Preference Shares of the redemption of all of the Series 19 Preference Shares, then the right of a holder of Series 19 Preference Shares to convert such Series 19 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 19 Preference Shares shall not be entitled to convert their shares into Series 20 Preference Shares if the Corporation determines that there would remain outstanding on a Series 19 Conversion Date less than 1,000,000 Series 20 Preference Shares, after having taken into account all Series 19 Preference Shares tendered for conversion into Series 20 Preference Shares and all Series 20 Preference Shares tendered for conversion into Series 19 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to all affected registered holders of the Series 19 Preference Shares at least seven days prior to the applicable Series 19 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 19 Conversion Date, at the expense of the Corporation, to such holders of Series 19 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 19 Preference Shares, certificates representing the Series 19 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 19 Conversion Date less than 1,000,000 Series 19 Preference Shares, after having taken into account all Series 19 Preference Shares tendered for conversion into Series 20 Preference Shares and all Series 20 Preference Shares tendered for conversion into Series 19 Preference Shares, then all of the remaining outstanding Series 19 Preference Shares shall be converted automatically into Series 20 Preference Shares on the basis of one Series 20 Preference Share for each Series 19 Preference Share on the applicable Series 19 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(c) to the then registered holders of such remaining Series 19 Preference Shares at least seven days prior to the Series 19 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 19 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 19**

**Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 19 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 19 Conversion Date. The Series 19 Conversion Notice shall indicate the number of Series 19 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 20 Preference Shares are in the Book-Based System, if the Series 20 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 19 Preference Shares to be converted, the Series 19 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar directing the Corporation to register the Series 20 Preference Shares in some other name or names (the “**Series 20 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 20 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 20 Transferee to hold such Series 20 Preference Shares.

- (f) If all remaining outstanding Series 19 Preference Shares are to be converted into Series 20 Preference Shares on the applicable Series 19 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 19 Preference Shares that holders have not previously elected to convert shall be converted on the Series 19 Conversion Date into Series 20 Preference Shares and the holders thereof shall be deemed to be holders of Series 20 Preference Shares at 5:00 p.m. (Toronto time) on the Series 19 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 19 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 20 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 19 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 20 Preference Shares registered in the name of the holders of the Series 19 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 19 Preference Shares of the certificate or certificates for the Series 19 Preference Shares to be converted. If only a part of such Series 19 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 19 Conversion Notice, the Series 19 Preference Shares converted into Series 20 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the

holders of the Series 19 Preference Shares to be converted share certificates representing the Series 20 Preference Shares into which such shares have been converted.

- (h) The obligation of the Corporation to issue Series 20 Preference Shares upon conversion of any Series 19 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 20 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or
  - (ii) for any reason beyond its control, the Corporation is unable to issue Series 20 Preference Shares or is unable to deliver Series 20 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 20 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 20 Preference Shares, and the Corporation shall attempt to sell such Series 20 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 20 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 20 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding- up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 19 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 19 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 19 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms.

After payment to the holders of the Series 19 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 19 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 19 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 19 Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 19 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 19 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 19 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 19 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 19 Preference Shares will be required to pay tax on dividends received on the Series 19 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or

withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 19 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 19 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 19 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 19 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 19 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 19 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 19 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 19 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 19 Preference Shares or the delivery of Series 19 Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 19 Preference Shares, the cash redemption price for the Series 19 Preference Shares or certificates for Series 20 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 19 Preference Shares.

- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 19 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 19 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Series 19 Preference Shares and registration instructions for re-registration of the Series 19 Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 19 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 19 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 19 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 19 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 19 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 19 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 19 Preference Shares**

The approval of the holders of the Series 19 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 19

Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 19 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 19 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 19 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 19 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 19 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Series 19 Preference Shares. Notice of any such original meeting of the holders of the Series 19 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 19 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 19 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 19 Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 19 Preference Shares may be listed.

## SCHEDULE “B” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-second series of Preference Shares of the Corporation shall consist of 20,000,000 shares designated as Cumulative Redeemable Preference Shares, Series 20 (the “**Series 20 Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Series 20 Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Series 20 Preference Share provisions, the following expressions have the meanings indicated:
- (i) “**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the annual rate of interest equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 3.17%, provided that, in any event, such rate shall not be less than 4.90%;
  - (ii) “**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service or its successor service (or such other page as may replace the GCAN5YR<INDEX> page on that service or its successor service) for purposes of displaying Government of Canada bond yields;
  - (iii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
  - (iv) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
  - (v) “**Book-Entry Shares**” means the Series 20 Preference Shares held through the Book-Based System;
  - (vi) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
  - (vii) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
  - (viii) “**Common Shares**” means the common shares of the Corporation;
  - (ix) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Series 20 Preference Shares;
  - (x) “**Dividend Payment Date**” means the first day of March, June, September and December in each year;

- (xi) **“Fixed Rate Calculation Date”** means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period;
- (xii) **“Floating Quarterly Dividend Rate”** means, for any Quarterly Floating Rate Period, the annual rate of interest equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.17%;
- (xiii) **“Floating Rate Calculation Date”** means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period;
- (xiv) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (xv) **“Government of Canada Yield”** on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years;
- (xvi) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xvii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (xviii) **“Participants”** means the participants in the Book-Based System;
- (xix) **“Preference Shares”** means the preference shares of the Corporation;
- (xx) **“Pro Rated Dividend”** means the amount determined by multiplying the amount of the dividend payable for a Quarter in which a Liquidation Distribution, conversion or redemption is to occur by four and multiplying that product by a fraction, the numerator of which is the number of days from and including the Dividend Payment Date immediately preceding the date fixed for Liquidation Distribution, conversion or redemption to but excluding such date and the denominator of which is 365 or 366, depending upon the actual number of days in the applicable year;

- (xxi) “**Quarter**” means a three-month period ending on a Dividend Payment Date;
  - (xxii) “**Quarterly Commencement Date**” means the first day of March, June, September and December in each year, commencing March 1, 2023;
  - (xxiii) “**Quarterly Floating Rate Period**” means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date;
  - (xxiv) “**Series 19 Preference Shares**” means the Cumulative Redeemable Minimum Rate Reset Preference Shares, Series 19 of the Corporation;
  - (xxv) “**Series 20 Conversion Date**” means March 1, 2028, and March 1, in every fifth year thereafter;
  - (xxvi) “**Subsequent Fixed Rate Period**” means, for the initial Subsequent Fixed Rate Period, the period from and including March 1, 2023 to but excluding March 1, 2028, and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding March 1, in the fifth year thereafter;
  - (xxvii) “**System Operator**” means CDS or its nominee or any successor thereof; and
  - (xxviii) “**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Series 20 Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

## 2. Dividends

- (a) During each Quarterly Floating Rate Period, the holders of the Series 20 Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date in each year (less any tax required to be deducted and withheld by the Corporation), in the amount per share determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the

denominator of which is 365 or 366, depending upon the actual number of days in the applicable year.

- (b) On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series 20 Preference Shares. The Corporation shall, on each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series 20 Preference Shares. Each such notice shall be given by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Series 20 Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation.
- (c) If a dividend has been declared for a Quarter and a date is fixed for a Liquidation Distribution, redemption or conversion that is prior to the Dividend Payment Date for such Quarter, a Pro Rated Dividend shall be payable on the date fixed for such Liquidation Distribution, redemption or conversion instead of the dividend declared, but if such Liquidation Distribution, redemption or conversion does not occur, then the full amount of the dividend declared shall be payable on the originally scheduled Dividend Payment Date.
- (d) If on any Dividend Payment Date the dividend payable on such date is not paid in full on all of the Series 20 Preference Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates to be determined by the board of directors on which the Corporation shall have sufficient monies properly applicable, under the provisions of any applicable law and under the provisions of any trust indenture securing bonds, debentures or other securities of the Corporation, to the payment of the same. When any such dividend is not paid in full, the Series 20 Preference Shares shall participate rateably with the preference shares of other series and all other shares, if any, which rank on a parity with the Preference Shares with respect to the payment of dividends, in respect of such dividends, including accumulations, if any, in accordance with the sums which would be payable on the Preference Shares and such other shares if all such dividends were declared and paid in full in accordance with their terms.
- (e) The holders of the Series 20 Preference Shares shall not be entitled to any dividend other than or in excess of the cumulative preferential cash dividends hereinbefore provided. Cheques of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of the said dividends (less any tax required to be deducted) and payment thereof shall satisfy such dividends.

### **3. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraphs 6 and 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out

of capital or otherwise, the whole or any part of the Series 20 Preference Shares outstanding from time to time at any price by tender to all holders of record of Series 20 Preference Shares or through the facilities of any stock exchange on which the Series 20 Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Series 20 Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Series 20 Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Series 20 Preference Shares under the provisions of this paragraph 3, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Series 20 Preference Shares so offered by each of the holders of Series 20 Preference Shares who offered shares to such tender. From and after the date of purchase of any Series 20 Preference Shares under the provisions of this paragraph 3, the shares so purchased shall be cancelled.

#### **4. Redemption**

Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, the Corporation may redeem on not more than 60 days' and not less than 30 days' prior notice, all or any part of the Series 20 Preference Shares by the payment of an amount in cash for each share to be redeemed equal to:

- (a) \$25.00 per share (the "**Redemption Amount**") in the case of a redemption on a Series 20 Conversion Date on or after March 1, 2028; or
- (b) the Redemption Amount plus \$0.50 per share in the case of a redemption on any other date after March 1, 2023 that is not a Series 20 Conversion Date,

together, in each case, with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the "**Redemption Price**"), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Series 20 Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each Series 20 Preference Share is \$25.00.

#### **5. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Series 20 Preference Shares under the provisions of the foregoing paragraph 4, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Series 20 Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Series 20 Preference Shares. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b), provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place

and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Series 20 Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Series 20 Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Series 20 Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Series 20 Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Series 20 Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Series 20 Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Series 20 Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **6. Conversion into Series 19 Preference Shares**

- (a) The Series 20 Preference Shares shall not be convertible prior to March 1, 2028. Holders of Series 20 Preference Shares shall have the right to elect to convert on each Series 20 Conversion Date, subject to the provisions hereof, all or any of their Series 20 Preference Shares into Series 19 Preference Shares on the basis of one Series 19 Preference Share for each Series 20 Preference Share. The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series 20 Conversion Date, give notice in writing in accordance with the provisions of subparagraph 2(b) to the then registered holders of the Series 20 Preference Shares of the conversion right provided for in this paragraph 6, which notice shall set out the Series 20 Conversion Date and instructions to such holders as to the method by which such conversion right may be exercised. On the 30<sup>th</sup> day prior to each Series 20 Conversion Date, the Corporation shall give notice in writing to the then registered holders of the Series 20 Preference Shares of the Annual Fixed Dividend Rate for the Series 19 Preference Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series 20 Preference Shares for the next succeeding Quarterly Floating Rate Period. Such notice shall be delivered in accordance with the provisions of subparagraph 2(b).

- (b) If the Corporation gives notice as provided in paragraph 5 to the holders of the Series 20 Preference Shares of the redemption of all of the Series 20 Preference Shares, then the right of a holder of Series 20 Preference Shares to convert such Series 20 Preference Shares shall terminate effective on the date of such notice and the Corporation shall not be required to give the notice specified in subparagraph (a) of this paragraph 6.
- (c) Holders of Series 20 Preference Shares shall not be entitled to convert their shares into Series 19 Preference Shares if the Corporation determines that there would remain outstanding on a Series 20 Conversion Date less than 1,000,000 Series 19 Preference Shares, after having taken into account all Series 20 Preference Shares tendered for conversion into Series 19 Preference Shares and all Series 19 Preference Shares tendered for conversion into Series 20 Preference Shares, and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to all affected registered holders of the Series 20 Preference Shares at least seven days prior to the applicable Series 20 Conversion Date and shall issue and deliver, or cause to be delivered, prior to such Series 20 Conversion Date, at the expense of the Corporation, to such holders of Series 20 Preference Shares who have surrendered for conversion any certificate or certificates representing Series 20 Preference Shares, certificates representing the Series 20 Preference Shares represented by any certificate or certificates so surrendered.
- (d) If the Corporation determines that there would remain outstanding on a Series 20 Conversion Date less than 1,000,000 Series 20 Preference Shares, after having taken into account all Series 20 Preference Shares tendered for conversion into Series 19 Preference Shares and all Series 19 Preference Shares tendered for conversion into Series 20 Preference Shares, then all of the remaining outstanding Series 20 Preference Shares shall be converted automatically into Series 19 Preference Shares on the basis of one Series 19 Preference Share for each Series 20 Preference Share on the applicable Series 20 Conversion Date and the Corporation shall give notice in writing thereof in accordance with the provisions of subparagraph 2(b) to the then registered holders of such remaining Series 20 Preference Shares at least seven days prior to the Series 20 Conversion Date.
- (e) The conversion right may be exercised by a holder of Series 20 Preference Shares by notice in writing, in a form satisfactory to the Corporation (the “**Series 20 Conversion Notice**”), which notice must be received by the transfer agent and registrar for the Series 20 Preference Shares at the principal office in Toronto or Calgary of such transfer agent and registrar not earlier than the 30<sup>th</sup> day prior to, but not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding, a Series 20 Conversion Date. The Series 20 Conversion Notice shall indicate the number of Series 20 Preference Shares to be converted. Once received by the transfer agent and registrar on behalf of the Corporation, the election of a holder to convert is irrevocable. Except in the case where the Series 19 Preference Shares are in the Book-Based System, if the Series 19 Preference Shares are to be registered in a name or names different from the name or names of the registered holder of the Series 20 Preference Shares to be converted, the Series 20 Conversion Notice shall contain written notice in form and execution satisfactory to such transfer agent and registrar

directing the Corporation to register the Series 19 Preference Shares in some other name or names (the “**Series 19 Transferee**”) and stating the name or names (with addresses) and a written declaration, if required by the Corporation or by applicable law, as to the residence and share ownership status of the Series 19 Transferee and such other matters as may be required by such law in order to determine the entitlement of such Series 19 Transferee to hold such Series 19 Preference Shares.

- (f) If all remaining outstanding Series 20 Preference Shares are to be converted into Series 19 Preference Shares on the applicable Series 20 Conversion Date as provided for in subparagraph (d) of this paragraph 6, the Series 20 Preference Shares that holders have not previously elected to convert shall be converted on the Series 20 Conversion Date into Series 19 Preference Shares and the holders thereof shall be deemed to be holders of Series 19 Preference Shares at 5:00 p.m. (Toronto time) on the Series 20 Conversion Date and shall be entitled, upon surrender during regular business hours at the principal office in Toronto or Calgary of the transfer agent and registrar of the Corporation of the certificate or certificates representing Series 20 Preference Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series 19 Preference Shares in the manner and subject to the provisions of this paragraph 6 and paragraph 11.
- (g) Subject to paragraph (h) of this paragraph 6 and paragraph 11, as promptly as practicable after the Series 20 Conversion Date the Corporation shall deliver or cause to be delivered certificates representing the Series 19 Preference Shares registered in the name of the holders of the Series 20 Preference Shares to be converted, or as such holders shall have directed, on presentation and surrender at the principal office in Toronto or Calgary of the transfer agent and registrar for the Series 20 Preference Shares of the certificate or certificates for the Series 20 Preference Shares to be converted. If only a part of such Series 20 Preference Shares represented by any certificate shall be converted, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified in any Series 20 Conversion Notice, the Series 20 Preference Shares converted into Series 19 Preference Shares shall cease to be outstanding and shall be restored to the status of authorized but unissued shares, and the holders thereof shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless the Corporation shall fail, subject to paragraph 11, to deliver to the holders of the Series 20 Preference Shares to be converted share certificates representing the Series 19 Preference Shares into which such shares have been converted.
- (h) The obligation of the Corporation to issue Series 19 Preference Shares upon conversion of any Series 20 Preference Shares shall be deferred during the continuance of any one or more of the following events:
  - (i) the issuing of such Series 19 Preference Shares is prohibited by law or by any regulatory or other authority having jurisdiction over the Corporation that is acting in conformity with law; or

- (ii) for any reason beyond its control, the Corporation is unable to issue Series 19 Preference Shares or is unable to deliver Series 19 Preference Shares.
- (i) The Corporation reserves the right not to deliver Series 19 Preference Shares to any person that the Corporation or its transfer agent and registrar has reason to believe is a person whose address is in, or the Corporation or its transfer agent and registrar has reason to believe is a resident of, any jurisdiction outside of Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction. In those circumstances, the Corporation shall hold, as agent of any such person, all or the relevant number of Series 19 Preference Shares, and the Corporation shall attempt to sell such Series 19 Preference Shares to parties other than the Corporation and its affiliates on behalf of any such person. Such sales (if any) shall be made at such times and at such prices as the Corporation, in its sole discretion, may determine. The Corporation shall not be subject to any liability for failure to sell Series 19 Preference Shares on behalf of any such person at all or at any particular price or on any particular day. The net proceeds received by the Corporation from the sale of any such Series 19 Preference Shares shall be delivered to any such person, after deducting the costs of sale, by cheque or in any other manner determined by the Corporation.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 20 Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per Series 20 Preference Shares together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Series 20 Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Series 20 Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Series 20 Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Series 20 Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Series 20 Preference Shares with respect to payment of dividends;

- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series 20 Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Series 20 Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Series 20 Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series 20 Preference Shares and on all other Preference Shares and on all other shares ranking prior to or on a parity with the said shares with respect to payment of dividends then outstanding shall have been declared and paid in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Series 20 Preference Shares will be required to pay tax on dividends received on the Series 20 Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Series 20 Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Series 20 Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## 11. Book-Based System

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Series 20 Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Series 20 Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Series 20 Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Series 20 Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Series 20 Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Series 20 Preference Shares for the purposes of receiving notices or payments on or in respect of the Series 20 Preference Shares or the delivery of Series 20 Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Series 20 Preference Shares, the cash redemption price for the Series 20 Preference Shares or certificates for Series 19 Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Series 20 Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Series 20 Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Series 20 Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Series 20 Preference Shares and registration instructions for re-registration of the Series 20 Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and

rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.

- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Series 20 Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Series 20 Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Series 20 Preference Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Series 20 Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Series 20 Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Series 20 Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

## **13. Sanction by Holders of Series 20 Preference Shares**

The approval of the holders of the Series 20 Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Series 20 Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Series 20 Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Series 20 Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Series 20 Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Series 20 Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Series 20 Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such

adjourned meeting shall constitute the approval of the holders of the Series 20 Preference Shares. Notice of any such original meeting of the holders of the Series 20 Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Series 20 Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Series 20 Preference Shares held by such holder.

#### **14. Amendments**

The provisions attaching to the Series 20 Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Series 20 Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Virginie Ethier

Director / Directeur

2018-02-27

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

1 Corporate name  
Dénomination sociale  
Enbridge Inc.

2 Corporation number  
Numéro de la société  
227602-0

3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
Tyler W. Robinson  
403-231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-third series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2018-A (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur including the entry of an order for relief against the Corporation or the appointment of a

receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets;

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as supplemented by the First Supplemental Indenture dated as of March 1, 2012, the Second Supplemental Indenture dated as of December 19, 2016, the Third Supplemental Indenture dated as of July 14, 2017, and as further supplemented by the Fourth Supplemental Indenture to be dated as of March 1, 2018;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) “**Participants**” means the participants in the Book-Based System;
- (xiv) “**Perpetual Preference Share Rate**” means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the

interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Quarterly Dividend Payment Date**” means, in respect of dividends payable for the period from and after March 1, 2028, March 1, June 1, September 1 and December 1 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from March 1, 2018 to but excluding March 1, 2028, March 1 and September 1 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xviii) “**Subordinate Notes**” means the 6.250% Fixed-to-Floating Rate Subordinated Notes Series 2018-A due 2078 of the Corporation; and
  - (xix) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a

subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to March 1, 2028. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after March 1, 2028, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on any Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before

the date specified for redemption mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such event, the whole

before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion

Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior

to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the

*Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Virginie Ethier

Director / Directeur

2018-04-09

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

1 Corporate name  
Dénomination sociale  
Enbridge Inc.

2 Corporation number  
Numéro de la société  
227602-0

3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
Tyler W. Robinson  
403-231-5935

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-fourth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2018-B (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur including the entry of an order for relief against the Corporation or the appointment of a

receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets;

- (ii) **“Book-Based System”** means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) **“Book-Entry Holder”** means the person that is the beneficial holder of a Book-Entry Share;
- (iv) **“Book-Entry Shares”** means the Conversion Preference Shares held through the Book-Based System;
- (v) **“business day”** means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) **“CDS”** means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) **“Common Shares”** means the common shares of the Corporation;
- (viii) **“Definitive Share”** means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (x) **“Indenture”** means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as supplemented by the First Supplemental Indenture dated as of March 1, 2012, the Second Supplemental Indenture dated as of December 19, 2016, the Third Supplemental Indenture dated as of July 14, 2017, the Fourth Supplemental Indenture dated as of March 1, 2018, and as further supplemented by the Fifth Supplemental Indenture to be dated as of April 12, 2018;
- (xi) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) **“Participants”** means the participants in the Book-Based System;

- (xiv) **“Perpetual Preference Share Rate”** means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion Preference Shares upon an Automatic Conversion Event, and had remained outstanding;
  - (xv) **“Preference Shares”** means the preference shares of the Corporation;
  - (xvi) **“Quarterly Dividend Payment Date”** means, in respect of dividends payable for the period from July 15, 2018 to but excluding April 15, 2078, January 15, April 15, July 15 and October 15 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) **“Subordinate Notes”** means the 6.375% Fixed-to-Floating Rate Subordinated Notes Series 2018-B due 2078 of the Corporation; and
  - (xviii) **“System Operator”** means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## **2. Issue Price**

The issue price of each whole Conversion Preference Share will be \$25.00.

## **3. Dividends**

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Quarterly Dividend Payment Date subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to April 15, 2023. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after April 15, 2023, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on any Quarterly Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$25.00 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Quarterly Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$25.00.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that

accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$25.00 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Quarterly Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so

payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to

deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation’s account with the System Operator of such holders’ Conversion Preference Shares.

- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Virginie Ethier

Director / Directeur

2018-04-10

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Tyler W. Robinson  
Tyler W. Robinson  
403-231-5935

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-fifth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2018-C (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of Subordinate Notes, without the consent of the holders of such notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the entry of an order for relief against the Corporation or the appointment of a

receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets);

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of October 20, 1997, between the Corporation and Computershare Trust Company of Canada as trustee, as supplemented by the First Supplemental Indenture dated as of November 28, 2001, the Second Supplemental Indenture dated as of December 21, 2011, the Third Supplemental Indenture dated as of September 26, 2017 and as further supplemented by the Fourth Supplemental Indenture to be dated as of April 12, 2018;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) “**Participants**” means the participants in the Book-Based System;
- (xiv) “**Perpetual Preference Share Rate**” means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such

time had such notes not been automatically converted into Conversion Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Quarterly Dividend Payment Date**” means, in respect of dividends payable for the period from and after April 12, 2028, January 12, April 12, July 12 and October 12 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from April 12, 2018 to but excluding April 12, 2028, April 12 and October 12 of each year during which any Conversion Preference Shares are issued and outstanding;
  - (xviii) “**Subordinate Notes**” means the 6.625% Fixed-to-Floating Rate Subordinated Notes Series 2018-C due April 12, 2078 of the Corporation; and
  - (xix) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in Canadian dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a

subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to April 12, 2028. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after April 12, 2028, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on any Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before

the date specified for redemption mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date or Quarterly Dividend Payment Date, as applicable, for which dividends thereon have been paid in full up to the date of such event, the whole

before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of "CDS & Co." (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder's ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion

Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior

to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the

*Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Raymond Edwards

Director / Directeur

2020-07-06

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Karen K.L. Uehara  
\_\_\_\_\_  
Karen K.L. Uehara  
587-955-2986

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-sixth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2020-A (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the entry of an order for relief against the Corporation or the appointment of a

receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets);

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as supplemented by the First Supplemental Indenture dated as of March 1, 2012, the Second Supplemental Indenture dated as of December 19, 2016, the Third Supplemental Indenture dated as of July 14, 2017, the Fourth Supplemental Indenture dated as of March 1, 2018, the Fifth Supplemental Indenture dated as of April 12, 2018 and the Sixth Supplemental Indenture dated as of May 13, 2019, and as further supplemented by the Seventh Supplemental Indenture to be dated as of July 8, 2020;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) “**Participants**” means the participants in the Book-Based System;

- (xiv) **“Perpetual Preference Share Rate”** means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion Preference Shares upon an Automatic Conversion Event, and had remained outstanding;
  - (xv) **“Preference Shares”** means the preference shares of the Corporation;
  - (xvi) **“Semi-Annual Dividend Payment Date”** means, in respect of dividends payable for the period from and after July 8, 2020, January 15 and July 15 of each year (commencing on January 15, 2021) during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) **“Subordinate Notes”** means the 5.750% Fixed-to-Fixed Rate Subordinated Notes Series 2020-A due 2080 of the Corporation; and
  - (xviii) **“System Operator”** means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## **2. Issue Price**

The issue price of each whole Conversion Preference Share will be \$1,000.

## **3. Dividends**

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Semi-Annual Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to July 15, 2030. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after July 15, 2030, the Corporation may redeem, on not more than 60 days and not less than 30 days prior notice, on any Semi-Annual Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 30 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so

appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if only part of the shares held by the person to whom it is addressed are to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If only part of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance

with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the

Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery

to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.

- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Isabelle Foley

Deputy Director / Directeur adjoint

2022-01-17

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Karen K.L. Uehara  
\_\_\_\_\_  
Karen K.L. Uehara  
5879552986

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-seventh series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2022-A (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it a bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it a bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged a bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the entry of an order for relief against the Corporation or the appointment of a

receiver, interim receiver, trustee, or other similar official for it or for any substantial part of its property and assets);

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of October 20, 1997, between the Corporation and Computershare Trust Company of Canada as trustee, as supplemented by the First Supplemental Indenture dated as of November 28, 2001, the Second Supplemental Indenture dated as of December 21, 2011, the Third Supplemental Indenture dated as of September 26, 2017, the Fourth Supplemental Indenture dated as of April 12, 2018, the Fifth Supplemental Indenture dated as of June 20, 2019 and as further supplemented by the Sixth Supplemental Indenture to be dated as of January 19, 2022;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) “**Participants**” means the participants in the Book-Based System;

- (xiv) **“Perpetual Preference Share Rate”** means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion Preference Shares upon an Automatic Conversion Event, and had remained outstanding;
  - (xv) **“Preference Shares”** means the preference shares of the Corporation;
  - (xvi) **“Semi-Annual Dividend Payment Date”** means, in respect of dividends payable for the period from and after January 19, 2022, January 19 and July 19 of each year (commencing on July 19, 2022) during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) **“Subordinate Notes”** means the 5.00% Fixed-to-Fixed Rate Subordinated Notes Series 2022-A due January 19, 2082 of the Corporation; and
  - (xviii) **“System Operator”** means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in Canadian dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date, subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Semi-Annual Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to January 19, 2032. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after January 19, 2032, the Corporation may redeem, on not more than 60 days and not less than 10 days prior notice, on any Semi-Annual Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption (less any tax required to be deducted and withheld by the Corporation) (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall not more than 60 days and not less than 10 days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it

appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if only part of the shares held by the person to whom it is addressed are to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If only part of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and

such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment, distribution,

issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery

to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.

- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of Canada to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Hantz Prosper

Director / Directeur

2022-09-15

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Karen K.L. Uehara  
\_\_\_\_\_  
Karen K.L. Uehara  
587-955-2986

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-eighth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2022-B (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it as bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it as bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the

entry of an order for relief against the Corporation or the appointment of a receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets);

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as amended and supplemented from time to time;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) “**Participants**” means the participants in the Book-Based System;
- (xiv) “**Perpetual Preference Share Rate**” means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion

Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from and after September 20, 2022, January 15 and July 15 of each year (commencing on January 15, 2023) during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Subordinate Notes**” means the 7.375% Fixed-to-Fixed Rate Subordinated Notes Series 2022-B due 2083 of the Corporation; and
  - (xviii) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Semi-Annual Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to October 15, 2027. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after October 15, 2027, the Corporation may redeem, on not more than 60 days and not less than 10 days prior notice, on any Semi-Annual Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall, not more than 60 days and not less than 10 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of

such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if only part of the shares held by the person to whom it is addressed are to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If only part of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be

payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment,

distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator,

for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.

- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for

such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices désignant une série d'actions.

Hantz Prosper

Director / Directeur

2022-09-15

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Karen K.L. Uehara  
\_\_\_\_\_  
Karen K.L. Uehara  
587-955-2986

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250 (1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The forty-ninth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2022-C (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it as bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it as bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the

entry of an order for relief against the Corporation or the appointment of a receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets);

- (ii) **“Book-Based System”** means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) **“Book-Entry Holder”** means the person that is the beneficial holder of a Book-Entry Share;
- (iv) **“Book-Entry Shares”** means the Conversion Preference Shares held through the Book-Based System;
- (v) **“business day”** means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) **“CDS”** means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) **“Common Shares”** means the common shares of the Corporation;
- (viii) **“Definitive Share”** means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (x) **“Indenture”** means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as amended and supplemented from time to time;
- (xi) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) **“Participants”** means the participants in the Book-Based System;
- (xiv) **“Perpetual Preference Share Rate”** means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion

Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from and after September 20, 2022, January 15 and July 15 of each year (commencing on January 15, 2023) during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Subordinate Notes**” means the 7.625% Fixed-to-Fixed Rate Subordinated Notes Series 2022-C due 2083 of the Corporation; and
  - (xviii) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Semi-Annual Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior October 15, 2032. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after October 15, 2032, the Corporation may redeem, on not more than 60 days and not less than 10 days prior notice, on any Semi-Annual Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall, not more than 60 days and not less than 10 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of

such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if only part of the shares held by the person to whom it is addressed are to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If only part of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate ratably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the Corporation, in respect of any return of capital in accordance with the sums which would be

payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. If the cash component of any payment,

distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and
  - (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator,

for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.

- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for

such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Hantz Prosper

Director / Directeur

2023-09-21

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Karen K.L. Uehara  
\_\_\_\_\_  
Karen K.L. Uehara  
587-955-2986

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fiftieth series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2023-A (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it as bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it as bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the

entry of an order for relief against the Corporation or the appointment of a receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets);

- (ii) **“Book-Based System”** means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) **“Book-Entry Holder”** means the person that is the beneficial holder of a Book-Entry Share;
- (iv) **“Book-Entry Shares”** means the Conversion Preference Shares held through the Book-Based System;
- (v) **“business day”** means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) **“CDS”** means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) **“Common Shares”** means the common shares of the Corporation;
- (viii) **“Definitive Share”** means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (x) **“Indenture”** means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as amended and supplemented from time to time;
- (xi) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) **“Participants”** means the participants in the Book-Based System;
- (xiv) **“Perpetual Preference Share Rate”** means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion

Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from and after September 25, 2023, January 15 and July 15 of each year (commencing on January 15, 2024) during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Subordinate Notes**” means the 8.250% Fixed-to-Fixed Rate Subordinated Notes Series 2023-A due 2084 of the Corporation; and
  - (xviii) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Semi-Annual Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to October 15, 2028. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after October 15, 2028, the Corporation may redeem, on not more than 60 days and not less than 10 days prior notice, on any Semi-Annual Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption (less any tax required to be deducted and withheld by the Corporation) (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall, not more than 60 days and not less than 10 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first

class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if only part of the shares held by the person to whom it is addressed are to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If only part of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate ratably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the

Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such

amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder.

The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with

paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Hantz Prosper

Director / Directeur

2023-09-21

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

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*Loi canadienne sur les sociétés par*  
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- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Karen K.L. Uehara  
\_\_\_\_\_  
Karen K.L. Uehara  
587-955-2986

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fifty-first series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2023-B (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it as bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it as bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the

entry of an order for relief against the Corporation or the appointment of a receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets);

- (ii) “**Book-Based System**” means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) “**Book-Entry Holder**” means the person that is the beneficial holder of a Book-Entry Share;
- (iv) “**Book-Entry Shares**” means the Conversion Preference Shares held through the Book-Based System;
- (v) “**business day**” means a day on which chartered banks are generally open for business in both Calgary, Alberta and Toronto, Ontario;
- (vi) “**CDS**” means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) “**Common Shares**” means the common shares of the Corporation;
- (viii) “**Definitive Share**” means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) “**Global Certificate**” means the global certificate representing outstanding Book-Entry Shares;
- (x) “**Indenture**” means the Trust Indenture dated as of February 25, 2005, between the Corporation and Deutsche Bank Trust Company Americas as trustee, as amended and supplemented from time to time;
- (xi) “**junior shares**” means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) “**Liquidation Distribution**” means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) “**Participants**” means the participants in the Book-Based System;
- (xiv) “**Perpetual Preference Share Rate**” means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion

Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from and after September 25, 2023, January 15 and July 15 of each year (commencing on January 15, 2024) during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Subordinate Notes**” means the 8.500% Fixed-to-Fixed Rate Subordinated Notes Series 2023-B due 2084 of the Corporation; and
  - (xviii) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in United States dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Semi-Annual Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to October 15, 2033. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after October 15, 2033, the Corporation may redeem, on not more than 60 days and not less than 10 days prior notice, on any Semi-Annual Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption (less any tax required to be deducted and withheld by the Corporation) (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall, not more than 60 days and not less than 10 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first

class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if only part of the shares held by the person to whom it is addressed are to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of the United States at par at any branch of the Corporation's bankers for the time being in the United States. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If only part of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in the United States named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate ratably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the

Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such

amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of the United States to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder.

The making of a payment by way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with

paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Hantz Prosper

Director / Directeur

2023-09-28

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Karen K.L. Uehara  
\_\_\_\_\_  
Karen K.L. Uehara  
403-231-3900

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## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fifty-second series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2023-C (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it as bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it as bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the

entry of an order for relief against the Corporation or the appointment of a receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets);

- (ii) **“Book-Based System”** means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) **“Book-Entry Holder”** means the person that is the beneficial holder of a Book-Entry Share;
- (iv) **“Book-Entry Shares”** means the Conversion Preference Shares held through the Book-Based System;
- (v) **“business day”** means any day other than a day on which banks are permitted or required to be closed in the City of Toronto, Ontario or the City of Calgary, Alberta;
- (vi) **“CDS”** means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) **“Common Shares”** means the common shares of the Corporation;
- (viii) **“Definitive Share”** means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (x) **“Indenture”** means the Trust Indenture dated as of October 20, 1997, between the Corporation and Computershare Trust Company of Canada, as trustee, as amended and supplemented from time to time;
- (xi) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) **“Participants”** means the participants in the Book-Based System;
- (xiv) **“Perpetual Preference Share Rate”** means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion

Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from and after September 29, 2023, January 15 and July 15 of each year (commencing on January 15, 2024) during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Subordinate Notes**” means the 8.495% Fixed-to-Fixed Rate Subordinated Notes Series 2023-C due 2084 of the Corporation; and
  - (xviii) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in Canadian dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date, subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Semi-Annual Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to October 15, 2028. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after October 15, 2028, the Corporation may redeem, on not more than 60 days and not less than 10 days prior notice, on any Semi-Annual Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption (less any tax required to be deducted and withheld by the Corporation) (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall, not more than 60 days and not less than 10 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first

class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if only part of the shares held by the person to whom it is addressed are to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If only part of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the

Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such

amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of Canada to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by

way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with

paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.



## Certificate of Amendment

*Canada Business Corporations Act*

## Certificat de modification

*Loi canadienne sur les sociétés par actions*

Enbridge Inc.

Corporate name / Dénomination sociale

227602-0

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Hantz Prosper

Director / Directeur

2023-09-28

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



**Form 4**  
**Articles of Amendment**  
*Canada Business Corporations Act*  
*(CBCA) (s. 27 or 177)*

**Formulaire 4**  
**Clauses modificatrices**  
*Loi canadienne sur les sociétés par*  
*actions (LCSA) (art. 27 ou 177)*

- 
- 1 Corporate name  
Dénomination sociale  
Enbridge Inc.
- 
- 2 Corporation number  
Numéro de la société  
227602-0
- 
- 3 The articles are amended as follows  
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

- 
- 4 Declaration: I certify that I am a director or an officer of the corporation.  
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par  
Karen K.L. Uehara

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Karen K.L. Uehara  
403-231-3900

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Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

## SCHEDULE “A” TO ARTICLES OF AMENDMENT OF ENBRIDGE INC.

The fifty-third series of Preference Shares of the Corporation shall consist of an unlimited number of shares designated as Preference Shares, Series 2023-D (the “**Conversion Preference Shares**”). In addition to the rights, privileges, restrictions and conditions attaching to the Preference Shares as a class, the rights, privileges, restrictions and conditions attaching to the Conversion Preference Shares shall be as follows:

### 1. Interpretation

- (a) In these Conversion Preference Share provisions, the following expressions have the meanings indicated:
  - (i) “**Automatic Conversion Event**” means an event giving rise to an automatic conversion of the Subordinate Notes, without the consent of the holders of the Subordinate Notes and pursuant to the Indenture, into Conversion Preference Shares, being the occurrence of any one of the following: (i) the making by the Corporation of a general assignment for the benefit of its creditors or a proposal (or the filing of a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies’ Creditors Arrangement Act* (Canada), (ii) any proceeding instituted by the Corporation seeking to adjudicate it as bankrupt or insolvent, or, where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent, (iii) a receiver, interim receiver, trustee or other similar official is appointed over the property and assets of the Corporation or for any substantial part of its property and assets by a court of competent jurisdiction in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, or (iv) any proceeding is instituted against the Corporation seeking to adjudicate it as bankrupt or insolvent, or where the Corporation is insolvent, seeking liquidation, winding-up, dissolution, reorganization, arrangement, adjustment, protection, relief or compromise of its debts under any law relating to bankruptcy or insolvency in Canada, or seeking the entry of an order for the appointment of a receiver, interim receiver, trustee or other similar official for the property and assets of the Corporation or any substantial part of its property and assets in circumstances where the Corporation is adjudged as bankrupt or insolvent under any law relating to bankruptcy or insolvency in Canada, and either such proceeding has not been stayed or dismissed within 60 days of the institution of any such proceeding or the actions sought in such proceedings occur (including the

entry of an order for relief against the Corporation or the appointment of a receiver, interim receiver, trustee, or other similar official for the Corporation's property and assets or for any substantial part of its property and assets);

- (ii) **“Book-Based System”** means the record entry securities transfer and pledge system administered by the System Operator in accordance with the operating rules and procedures of the System Operator in force from time to time and any successor system thereof;
- (iii) **“Book-Entry Holder”** means the person that is the beneficial holder of a Book-Entry Share;
- (iv) **“Book-Entry Shares”** means the Conversion Preference Shares held through the Book-Based System;
- (v) **“business day”** means any day other than a day on which banks are permitted or required to be closed in the City of Toronto, Ontario or the City of Calgary, Alberta;
- (vi) **“CDS”** means CDS Clearing and Depository Services Inc. or any successor thereof;
- (vii) **“Common Shares”** means the common shares of the Corporation;
- (viii) **“Definitive Share”** means a fully registered, typewritten, printed, lithographed, engraved or otherwise produced share certificate representing one or more Conversion Preference Shares;
- (ix) **“Global Certificate”** means the global certificate representing outstanding Book-Entry Shares;
- (x) **“Indenture”** means the Trust Indenture dated as of October 20, 1997, between the Corporation and Computershare Trust Company of Canada, as trustee, as amended and supplemented from time to time;
- (xi) **“junior shares”** means the Common Shares and any other shares of the Corporation that may rank junior to the Preference Shares in any respect;
- (xii) **“Liquidation Distribution”** means the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs;
- (xiii) **“Participants”** means the participants in the Book-Based System;
- (xiv) **“Perpetual Preference Share Rate”** means the dividend rate payable on the Conversion Preference Shares from time to time, being the same rate as the interest rate that would have accrued on the Subordinate Notes at any such time had such notes not been automatically converted into Conversion

Preference Shares upon an Automatic Conversion Event, and had remained outstanding;

- (xv) “**Preference Shares**” means the preference shares of the Corporation;
  - (xvi) “**Semi-Annual Dividend Payment Date**” means, in respect of dividends payable for the period from and after September 29, 2023, January 15 and July 15 of each year (commencing on January 15, 2024) during which any Conversion Preference Shares are issued and outstanding;
  - (xvii) “**Subordinate Notes**” means the 8.747% Fixed-to-Fixed Rate Subordinated Notes Series 2023-D due 2084 of the Corporation; and
  - (xviii) “**System Operator**” means CDS or its nominee or any successor thereof.
- (b) The expressions “on a parity with”, “ranking prior to”, “ranking junior to” and similar expressions refer to the order of priority in the payment of dividends or in the distribution of assets in the event of any Liquidation Distribution.
  - (c) If any day on which any dividend on the Conversion Preference Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.
  - (d) All dollar amounts are in Canadian dollars.

## 2. Issue Price

The issue price of each whole Conversion Preference Share will be \$1,000.

## 3. Dividends

- (a) Holders of Conversion Preference Shares will be entitled to receive cumulative preferential cash dividends, if, as and when declared by the board of directors, subject to the *Canada Business Corporations Act*, at the Perpetual Preference Share Rate, payable on each Semi-Annual Dividend Payment Date, subject to applicable withholding tax as provided in paragraph 10.
- (b) The dividends on Conversion Preference Shares will accrue (but not compound) on a daily basis. If, on any Semi-Annual Dividend Payment Date, the dividends accrued to such date are not paid in full on all of the Conversion Preference Shares then issued and outstanding, such dividends, or the unpaid portion thereof, shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation will have sufficient funds properly available, under the provisions of applicable law and under the provisions of any trust indenture governing bonds, debentures or other securities of the Corporation, for the payment of such dividends.

#### **4. Purchase for Cancellation**

The Corporation may, at any time, subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, purchase for cancellation (if obtainable), out of capital or otherwise, all or any part of the Conversion Preference Shares outstanding from time to time at any price by tender to all holders of record of Conversion Preference Shares or through the facilities of any stock exchange on which the Conversion Preference Shares are listed, or in any other manner, provided that in the case of a purchase in any other manner the price for such Conversion Preference Shares so purchased for cancellation shall not exceed the highest price offered for a board lot of the Conversion Preference Shares on any stock exchange on which such shares are listed on the date of purchase for cancellation, plus the costs of purchase. If upon any tender to holders of Conversion Preference Shares under the provisions of this paragraph 4, more shares are offered than the Corporation is prepared to purchase, the shares so offered will be purchased as nearly as may be pro rata (disregarding fractions) according to the number of Conversion Preference Shares so offered by each of the holders of Conversion Preference Shares who offered shares to such tender. From and after the date of purchase of any Conversion Preference Shares under the provisions of this paragraph 4, the shares so purchased shall be cancelled.

#### **5. Redemption**

The Corporation may not redeem the Conversion Preference Shares or any of them prior to October 15, 2033. Subject to the provisions of paragraph 8 and to the provisions of the *Canada Business Corporations Act*, on or after October 15, 2033, the Corporation may redeem, on not more than 60 days and not less than 10 days prior notice, on any Semi-Annual Dividend Payment Date all or any part of the then outstanding Conversion Preference Shares on payment of \$1,000 cash per whole Conversion Preference Share, together with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption (less any tax required to be deducted and withheld by the Corporation) (such price and amount being hereinafter referred to as the “**Redemption Price**”), which amount for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such redemption. Subject as aforesaid, if only part of the then outstanding Conversion Preference Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot or in such other equitable manner as the Corporation may determine or, if the directors so determine, may be redeemed pro rata disregarding fractions. For the purposes of subsection 191(4) of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, the amount specified in respect of each whole Conversion Preference Share is \$1,000.

#### **6. Procedure on Redemption**

Subject to the provisions of the *Canada Business Corporations Act*, in any case of redemption of Conversion Preference Shares under the provisions of the foregoing paragraph 5, the following provisions shall apply. The Corporation shall, not more than 60 days and not less than 10 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of Conversion Preference Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Conversion Preference Shares. Such notice shall be delivered by electronic transmission, by facsimile transmission or by ordinary unregistered first

class prepaid mail addressed to each holder of Conversion Preference Shares at the last address of such holder as it appears on the books of the Corporation, or, in the event of the address of any holder not so appearing, to the address of such holder last known to the Corporation, provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Price and the date on which redemption is to take place and, if only part of the shares held by the person to whom it is addressed are to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Conversion Preference Shares to be redeemed the Redemption Price on presentation and surrender at the registered office of the Corporation or any other place designated in such notice of the certificates for the Conversion Preference Shares called for redemption. Such payment shall be made by cheque of the Corporation payable in lawful money of Canada at par at any branch of the Corporation's bankers for the time being in Canada. Such Conversion Preference Shares shall thereupon be redeemed and shall be cancelled. If only part of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date so specified for redemption, the Conversion Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected. The Corporation shall have the right any time after the mailing of notice of its intention to redeem any Conversion Preference Shares as aforesaid to deposit the Redemption Price of the shares so called for redemption, or of such of the said shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Conversion Preference Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Conversion Preference Shares in respect whereof such deposit shall have been made shall be cancelled and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited against presentation and surrender of the said certificates held by them respectively.

## **7. Liquidation, Dissolution or Winding-up**

In the event of a Liquidation Distribution, the holders of the Conversion Preference Shares, in accordance with the Preference Shares class provisions, shall be entitled to receive \$1,000 per whole Conversion Preference Share together with an amount equal to all accrued and unpaid dividends thereon (less any tax required to be deducted and withheld by the Corporation), which amount for such purposes shall be calculated as if such dividends were accruing for the period from the expiration of the last Semi-Annual Dividend Payment Date for which dividends thereon have been paid in full up to the date of such event, the whole before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of the junior shares. Where any such amounts are not paid in full, the Conversion Preference Shares shall participate rateably with all Preference Shares and all other shares, if any, which rank on a parity with the Preference Shares with respect to the return of capital or any other distribution of assets of the

Corporation, in respect of any return of capital in accordance with the sums which would be payable on the Preference Shares and such other shares on such return of capital, if all sums so payable were paid in full in accordance with their terms. After payment to the holders of the Conversion Preference Shares of the amount so payable to them, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Corporation.

## **8. Restrictions on Payment of Dividends and Reduction of Capital**

So long as any of the Conversion Preference Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce stated capital maintained by the Corporation or otherwise pay off less than all of the Conversion Preference Shares and all other Preference Shares of the Corporation then outstanding ranking prior to or on parity with the Conversion Preference Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Conversion Preference Shares) on the Common Shares or any other shares of the Corporation ranking junior to the Conversion Preference Shares with respect to payment of dividends; or
- (c) call for redemption of, purchase, reduce stated capital maintained by the Corporation or otherwise pay for any shares of the Corporation ranking junior to the Conversion Preference Shares with respect to repayment of capital or with respect to payment of dividends;

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Conversion Preference Shares and on all other Preference Shares then outstanding ranking prior to or on a parity with the Conversion Preference Shares with respect to payment of dividends then outstanding shall have been declared and paid or set apart for payment in full at the date of any such action referred to in the foregoing subparagraphs (a), (b) and (c).

## **9. Tax Election**

The Corporation shall elect, in the manner and within the time provided under section 191.2 of the *Income Tax Act* (Canada) or any successor or replacement provision of similar effect, to pay tax at a rate, and take all other necessary action under such Act, such that no holder of the Conversion Preference Shares will be required to pay tax on dividends received on the Conversion Preference Shares under section 187.2 of Part IV.1 of such Act or any successor or replacement provisions of similar effect. Nothing in this paragraph 9 shall prevent the Corporation from entering into an agreement with a taxable Canadian corporation with which it is related to transfer all or a portion of the Corporation's liability for tax under section 191.1 of the Act to that taxable Canadian corporation in accordance with the provisions of section 191.3 of the Act.

## **10. Withholding Tax**

Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such

amounts to the relevant tax authority as required. If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these share provisions is less than the amount that the Corporation is so required or permitted to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any non-cash payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a holder of Conversion Preference Shares pursuant to these share provisions shall be considered to be the amount of the payment, distribution, issuance or delivery received by such holder plus any amount deducted or withheld pursuant to this paragraph 10. Holders of Conversion Preference Shares shall be responsible for all withholding taxes under Part XIII of the *Income Tax Act* (Canada), or any successor or replacement provision of similar effect, in respect of any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions and shall indemnify and hold harmless the Corporation on an after-tax basis for any such taxes imposed on any payment, distribution, issuance or delivery made or credited to them pursuant to these share provisions.

## **11. Book-Based System**

- (a) Subject to the provisions of subparagraphs (b) and (c) of this paragraph 11 and notwithstanding the provisions of paragraphs 1 through 10 of these share provisions, the Conversion Preference Shares shall be evidenced by a single fully registered Global Certificate representing the aggregate number of Conversion Preference Shares issued by the Corporation which shall be held by, or on behalf of, the System Operator as custodian of the Global Certificate for the Participants or issued to the System Operator in uncertificated form and, in either case, registered in the name of “CDS & Co.” (or in such other name as the System Operator may use from time to time as its nominee for purposes of the Book-Based System), and registrations of ownership, transfers, surrenders and conversions of Conversion Preference Shares shall be made only through the Book-Based System. Accordingly, subject to subparagraph (c) of this paragraph 11, no beneficial holder of Conversion Preference Shares shall receive a certificate or other instrument from the Corporation or the System Operator evidencing such holder’s ownership thereof, and no such holder shall be shown on the records maintained by the System Operator except through a book-entry account of a Participant acting on behalf of such holder.
- (b) Notwithstanding the provisions of paragraphs 1 through 10, so long as the System Operator is the registered holder of the Conversion Preference Shares:
  - (i) the System Operator shall be considered the sole owner of the Conversion Preference Shares for the purposes of receiving notices or payments on or in respect of the Conversion Preference Shares or the delivery of Conversion Preference Shares and certificates, if any, therefor upon the exercise of rights of conversion; and

- (ii) the Corporation, pursuant to the exercise of rights of redemption or conversion, shall deliver or cause to be delivered to the System Operator, for the benefit of the beneficial holders of the Conversion Preference Shares, the cash redemption price for the Conversion Preference Shares against delivery to the Corporation's account with the System Operator of such holders' Conversion Preference Shares.
- (c) If the Corporation determines that the System Operator is no longer willing or able to discharge properly its responsibilities with respect to the Book-Based System and the Corporation is unable to locate a qualified successor or the Corporation elects, or is required by applicable law, to withdraw the Conversion Preference Shares from the Book-Based System, then subparagraphs (a) and (b) of this paragraph 11 shall no longer be applicable to the Conversion Preference Shares and the Corporation shall notify Book-Entry Holders through the System Operator of the occurrence of any such event or election and of the availability of Definitive Shares to Book-Entry Holders. Upon surrender by the System Operator of the Global Certificate, if applicable, to the transfer agent and registrar for the Conversion Preference Shares and registration instructions for re-registration of the Conversion Preference Shares, the Corporation shall execute and deliver Definitive Shares. The Corporation shall not be liable for any delay in delivering such instructions and may conclusively act and rely on and shall be protected in acting and relying on such instructions. Upon the issuance of Definitive Shares, the Corporation shall recognize the registered holders of such Definitive Shares and the Book-Entry Shares for which such Definitive Shares have been substituted shall be void and of no further effect.
- (d) The provisions of paragraphs 1 through 10 and the exercise of rights of redemption and conversion, with respect to Conversion Preference Shares are subject to the provisions of this paragraph 11, and to the extent that there is any inconsistency or conflict between such provisions, the provisions of this paragraph 11 shall prevail.

## **12. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Conversion Preference Shares, the Corporation may, at its option, make any payment due to registered holders of Conversion Preference Shares by way of a wire or electronic transfer of lawful money of Canada to such holders (less any tax required to be deducted by the Corporation). If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Conversion Preference Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Conversion Preference Shares provide the particulars of an account of such holder with a chartered bank in Canada to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Conversion Preference Shares prior to the date such payment is to be made, the Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder. The making of a payment by

way of a wire or electronic transfer of funds or the deposit by the Corporation of funds otherwise payable to a holder in a special account or accounts in trust for such holder shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer or deposit.

### **13. Sanction by Holders of Conversion Preference Shares**

The approval of the holders of the Conversion Preference Shares with respect to any and all matters referred to in these share provisions may be given in writing by all of the holders of the Conversion Preference Shares outstanding or by resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at a meeting of the holders of the Conversion Preference Shares duly called and held for the purpose of considering the subject matter of such resolution and at which holders of not less than a majority of all Conversion Preference Shares then outstanding are present in person or represented by proxy in accordance with the by-laws of the Corporation; provided, however, that if at any such meeting, when originally held, the holders of at least a majority of all Conversion Preference Shares then outstanding are not present in person or so represented by proxy within 30 minutes after the time fixed for the meeting, then the meeting shall be adjourned to such date, being not less than 15 days later, and to such time and place as may be fixed by the chairman of such meeting, and at such adjourned meeting the holders of Conversion Preference Shares present in person or so represented by proxy, whether or not they hold a majority of all Conversion Preference Shares then outstanding, may transact the business for which the meeting was originally called, and a resolution duly passed and carried by not less than two-thirds of the votes cast on a poll at such adjourned meeting shall constitute the approval of the holders of the Conversion Preference Shares. Notice of any such original meeting of the holders of the Conversion Preference Shares shall be given not less than 15 days prior to the date fixed for such meeting and shall specify in general terms the purpose for which the meeting is called, and notice of any such adjourned meeting shall be given not less than 10 days prior to the date fixed for such adjourned meeting, but it shall not be necessary to specify in such notice the purpose for which the adjourned meeting is called. The formalities to be observed with respect to the giving of notice of any such original meeting or adjourned meeting and the conduct of it shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders. On every poll taken at any such original meeting or adjourned meeting, each holder of Conversion Preference Shares present in person or represented by proxy shall be entitled to one one-hundredth of a vote in respect of each dollar of the issue price for each of the Conversion Preference Shares held by such holder.

### **14. Fractional Shares**

The Conversion Preference Shares may be issued in whole or in fractional shares. Each fractional Conversion Preference Share shall carry and be subject to the rights, privileges, restrictions and conditions of the Conversion Preference Shares in proportion to the applicable fraction.

### **15. Amendments**

The provisions attaching to the Conversion Preference Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act* with any such approval to be given in accordance with

paragraph 13 and with any required approvals of any stock exchanges on which the Conversion Preference Shares may be listed.