

MEMORIAL

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Luxembourg



MEMORIAL

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Luxemburg

RECUEIL DES SOCIÉTÉS ET ASSOCIATIONS

Le présent recueil contient les publications prévues par la loi modifiée du 10 août 1915 concernant les sociétés commerciales et par la loi modifiée du 21 avril 1928 sur les associations et les fondations sans but lucratif.

C — N° 766

15 mars 2016

SOMMAIRE

Brookfield Office Properties (Luxembourg)
Branch [36722](#)

Brookfield Office Properties (Luxembourg) Branch, Succursale d'une société de droit étranger.

Adresse de la succursale: L-1931 Luxembourg, 13-15, avenue de la Liberté.

R.C.S. Luxembourg B 163.613.

(N.B. Pour des raisons techniques, le début de l'acte est publié aux Mémoires C-N° 763, C-N° 764 et C-N° 765 du 15 mars 2016.)

(d) Subject to the provisions of Section 14, as promptly as practicable after the Series T Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the Holder of the Series T Shares so surrendered in accordance with this Section 4, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such Holder representing the number of fully-paid and non-assessable Series U Shares and the number of remaining Series T Shares, if any, to which such Holder is entitled. Such conversion shall be deemed to have been made at 5:00 p.m. (Toronto time) on the Series T Conversion Date, so that the rights of the Holder of such Series T Shares as the Holder thereof shall cease at such time and the person or persons entitled to receive the Series U Shares upon such conversion will be treated for all purposes as having become the holder or holders of record of such Series U Shares at such time.

(e) The Holder of any Series T Share on the record date for any Series T Dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into Series U Shares after such record date and on or before the date of the payment of such dividend.

(f) Subject to the provisions of Section 14, the issuance of certificates for the Series U Shares upon the conversion of Series T Shares shall be made without charge to the converting Holders for any fee or tax in respect of the issuance of such certificates or the Series U Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series U Shares are issued in respect of the issuance of such Series U Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in the name or names other than that of the Holder or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

4.4 Status of Converted Series T Shares

All Series T Shares converted into Series U Shares on a Series T Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Series T Conversion Date and available for issuance on the conversion of the Series U Shares.

4.5 Right Not to Deliver Series U Shares

On the exercise of the Conversion Privilege by a Holder, the Corporation reserves the right not to deliver Series U Shares to any Ineligible Person.

5. Restrictions on Dividends and Retirement and Issue of Shares

So long as any of the Series T Shares are outstanding, the Corporation shall not, without the approval of the Holders:

(a) declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking as to capital and dividends junior to the Series T Shares) on any shares of the Corporation ranking as to dividends junior to the Series T Shares;

(b) except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking as to return of capital and dividends junior to the Series T Shares, redeem or call for redemption, purchase or otherwise pay off, retire or make any return of capital in respect of any shares of the Corporation ranking as to capital junior to the Series T Shares;

(c) redeem or call for redemption, purchase or otherwise pay off or retire for value or make any return of capital in respect of less than all of the Series T Shares then outstanding; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption, purchase or otherwise pay off, retire or make any return of capital in respect of any Class AAA Preference Shares, ranking as to the payment of dividends or return of capital on a parity with the Series T Shares;

unless, in each such case, all accrued and unpaid dividends up to and including the Series T Dividend payable for the last completed Dividend Period and on all other shares of the Corporation ranking prior to or on a parity with the Series T Shares with respect to the payment of dividends have been declared and paid or set apart for payment.

6. Purchase for Cancellation

Subject to applicable law and to the provisions described in Section 5 above, the Corporation may at any time purchase for cancellation the whole or any part of the Series T Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the directors such shares are obtainable.

7. Liquidation, Dissolution or Winding-Up

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 shall be entitled to payment of an amount equal to \$25.00 per Series T Share, plus an amount equal to all accrued and unpaid Series T Dividends up to but excluding the date of payment or distribution (less any tax required to be deducted and withheld by the Corporation), before any amounts shall be paid or any assets of the Corporation distributed to the holders of any shares ranking junior as to capital to the Series T Shares. Upon payment of such amounts, the Holders shall not be entitled to share in any further distribution of the assets of the Corporation.

8. Voting Rights

The Holders will not be entitled (except as otherwise provided by law and except for meetings of the holders of Class AAA Preference Shares as a class and meetings of the Holders as a series) to receive notice of, attend, or vote at any meeting of shareholders of the Corporation unless and until the Corporation shall have failed to pay eight quarterly Series T Dividends whether or not consecutive. In the event of such non-payment, and for only so long as any such dividends remain in arrears, the Holders shall have the right to receive notice of and to attend each meeting of shareholders of the Corporation, other than meetings at which only holders of another specified class or series are entitled to vote, and such Holders shall have the right, at any such meeting, to one (1) vote for each Series T Share held. No other voting rights shall attach to the Series T Shares in any circumstances. Upon payment of the entire amount of all Series T Dividends in arrears, the voting rights of the Holders shall forthwith cease (unless and until the same default shall again arise under the provisions of this Section 8).

9. Modifications

These Series T share provisions may be repealed, altered, modified or amended from time to time with such approval as may then be required by the Canada Business Corporations Act, any such approval to be given in accordance with Section 10.

10. Approval of Holders

10.1 Approval

Except as otherwise provided herein, any approval of the Holders with respect to any matters requiring the consent of the Holders may be given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by a resolution signed by all the Holders or passed by the affirmative vote of at least 66 2/3% of the votes cast by the Holders who voted in respect of that resolution at a meeting of the Holders duly called for that purpose and at which the Holders of a majority of the outstanding Series T Shares are present or represented by proxy. If at any such meeting the Holder(s) of a majority of the outstanding Series T Shares are not present or represented by proxy within one half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than 15 days thereafter and to such time and place as may be designated by the chairman of such meeting, and not less than 10 days' written notice shall be given of such adjourned meeting. At such adjourned meeting, the Holders(s) of Series T Shares represented in person or by proxy may transact the business for which the meeting was originally called and the Holders represented in person or by proxy shall form the necessary quorum. At any meeting of Holders as a series, each Holder shall be entitled to one (1) vote in respect of each Series T Share held.

10.2 Formalities, etc.

The proxy rules applicable to, the formalities to be observed in respect of the giving notice of, and the formalities to be observed in respect of the conduct of, any meeting or any adjourned meeting of Holders shall be those from time to time prescribed by the by-laws of the Corporation with respect to meetings of shareholders or, if not so prescribed, as required by law. On every poll taken at every meeting of Holders, each Holder entitled to vote thereat shall have one (1) vote in respect of each Series T Share held.

11. Tax Election

The Corporation shall elect, in the manner and within the time provided under the Tax Act, under subsection 191.2(1) of Part VI.1 of the Tax Act, or any successor or replacement provision of similar effect, and take all other necessary action under the Tax Act, to pay or cause payment of tax under Part VI.1 of the Tax Act at a rate such that the corporate Holders will not be required to pay tax on dividends received on the Series T Shares under section 187.2 of Part IV.1 of the Tax Act or any successor or replacement provision of similar effect.

12. Communications with Holders

Except as specifically provided elsewhere in these share conditions, any notice, cheque, invitation for tenders or other communication from the Corporation herein provided for shall be sufficiently given, sent or made if delivered or if sent by first class unregistered mail, postage prepaid, to each Holder at the last address of such Holder as it appears on the securities register of the Corporation or, in the case of joint Holders, to the address of the Holder whose name appears first in the securities register of the Corporation as one of such joint Holders, or, in the event of the address of any of such Holders not so appearing, then to the last address of such Holder known to the Corporation. Accidental failure to give such notice, invitation for tenders or other communication to one or more Holders shall not affect the validity of the notices, invitations for tenders or other communications properly given or any action taken pursuant to such notice, invitation for tender or other communication but, upon such failure being discovered, the notice, invitation for tenders or other communication, as the case may be, shall be sent forthwith to such Holder or Holders.

If any notice, cheque, invitation for tenders or other communication from the Corporation given to a Holder is returned on three consecutive occasions because the Holder cannot be found, the Corporation shall not be required to give or mail any further notices, cheques, invitations for tenders or other communications to such Holder until the Holder informs the Corporation in writing of such Holder's new address.

If the directors determine that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to a Holder, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by publication thereof once in a daily English language newspaper of general circulation published in each of Vancouver, Calgary, Winnipeg, Toronto, Montreal and Halifax, and once in a daily French language newspaper published in Montreal and such notice shall be deemed to have been validly given on the day next succeeding its publication in all of such cities; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for the delivery thereof to such Holder by the Transfer Agent, and such cheque and/or share certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the directors determine that mail service is no longer interrupted or threatened to be interrupted, such cheque or share certificate, if not theretofore delivered to such Holder, shall be sent by mail as herein provided.

13. Interpretation

13.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

“Annual Fixed Dividend Rate” means, for any Subsequent Fixed Rate Period, the rate (expressed as a percentage rate rounded down to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date plus 3.16%.

“Bloomberg Screen GCAN5YR Page” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service (or such other page as may replace the GCAN5YR page on that service) for purposes of displaying Government of Canada bond yields.

“Book-Entry Only System” means the record book-entry only securities transfer and pledge system administered by the Depository in accordance with its operating rules and procedures in force from time to time or any successor system thereof.

“Conversion Privilege” has the meaning attributed to it in Section 4.1(a).

“Depository” means CDS Clearing and Depository Services Inc. and its nominees or any successor carrying on the business as a depository, which is approved by the Corporation.

“Dividend Payment Date” in respect of the dividends payable on the Series T Shares means the last day of each of March, June, September, and December in each year.

“Dividend Period” means the period from and including the Issue Date up to and including December 31, 2012 and, thereafter, the period from the date following a Dividend Payment Date up to and including the next succeeding Dividend Payment Date.

“Election Notice” has the meaning attributed to it in Section 4.3.

“Fixed Rate Calculation Date” means, for any Subsequent Fixed Rate Period, the 30th day prior to the first day of such Subsequent Fixed Rate Period.

“Floating Quarterly Dividend Rate” means, for any Quarterly Floating Rate Period, the rate (expressed as a percentage rate rounded down to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date plus 3.16% calculated on the basis of the actual number of days elapsed in such Quarterly Floating Rate Period divided by 365.

“Floating Rate Calculation Date” means, for any Quarterly Floating Rate Period, the 30th day prior to the first day of such Quarterly Floating Rate Period.

“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 which 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, the Government of Canada Yield will mean the average of the yields determined by two registered Canadian investment dealers selected by the Corporation, as being the yield to maturity on such date (assuming semiannual compounding) which a Canadian dollar denominated 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.

“Holder” has the meaning attributed to it in Section 2.1.

“Ineligible Person” means any person whose address is in, or whom the Corporation or the Transfer Agent has reason to believe is a resident of, any jurisdiction outside Canada where the issue or delivery to that person of Series T Shares or

Series U Shares would require the Corporation to take any action to comply with securities or analogous laws of that jurisdiction.

“Initial Dividend Period” has the meaning ascribed thereto in Section 2.4.

“Initial Fixed Dividend Rate” means 4.60% per annum.

“Initial Fixed Rate Period” means the period commencing on the Issue Date and ending on and including December 31, 2018.

“Issue Date” means the date on which Series T Shares are first issued.

“Quarterly Commencement Date” means the 1st day of each of April, July, October and January in each year.

“Quarterly Floating Rate Period” means, for the initial Quarterly Floating Rate Period, the period commencing on January 1, 2019 and ending on and including March 31, 2019, and thereafter the period from and including the day immediately following the end of the immediately preceding Quarterly Floating Rate Period to but excluding the next succeeding Quarterly Commencement Date.

“Redemption Price” has the meaning attributed to it in Section 3.1.

“Series T Conversion Date” has the meaning attributed to it in Section 3.1.

“Series T Dividends” has the meaning attributed to it in Section 2.1.

“Series T Shares” has the meaning attributed to it in the introductory paragraph to these Series T share provisions.

“Series U Shares” means the Class AAA Preference Shares, Series U.

“Subsequent Fixed Rate Period” means for the initial Subsequent Fixed Rate Period, the period commencing on January 1, 2019 and ending on and including December 31, 2024 and for each succeeding Subsequent Fixed Rate Period, the period commencing on the day immediately following the end of the immediately preceding Subsequent Fixed Rate Period and ending on and including December 31 in the fifth year thereafter.

“Tax Act” means the Income Tax Act (Canada), as amended.

“T-Bill Rate” means, for any Quarterly Floating Rate Period, the average yield expressed as a percentage per annum 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.

“Transfer Agent” means CIBC Mellon Trust Corporation, a trust company existing under the laws of Canada, or such other person as from time to time may be the registrar and transfer agent for the Series T Shares.

13.2 Interpretation of Terms

In these Series T share provisions:

(a) “accrued and unpaid dividends” means the aggregate of (i) all unpaid Series T Dividends for any completed Dividend Period; and (ii) a cash amount calculated as though Series T Dividends had been accruing on a day to day basis from but excluding the date on which the last quarterly dividend was payable up to and including the date to which the computation of accrued dividends is to be made;

(b) “in priority to”, “on a parity with” and “junior to” have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs;

(c) in the event that any date on which any Series T Dividend is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the Holders hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A “business day” shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday in the province of Ontario;

(d) in the event of the non-receipt of a cheque by a Holder entitled to the cheque, or the loss or destruction of the cheque, the Corporation, on being furnished with reasonable evidence of non-receipt, loss or destruction, and an indemnity reasonably satisfactory to the Corporation, will issue to the Holder a replacement cheque for the amount of the original cheque;

(e) the Corporation will be entitled to deduct or withhold from any amount payable to a Holder under these Series T share provisions any amount required by law to be deducted or withheld from that payment;

(f) reference to any statute is to that statute as in force from time to time, including any regulations, rules, policy statements or guidelines made under that statute, and includes any statute which may be enacted in substitution of that statute;

(g) if it is necessary to convert any amount into Canadian dollars, the directors will select an appropriate method and rate of exchange to convert any non-Canadian currency into Canadian dollars; and

(h) all references herein to a Holder shall be interpreted as referring to a registered Holder.

14. Book-Entry Only System

14.1 Transfers etc. Through Participants

If the Series T Shares are held through the Book-Entry Only System, then the beneficial owner thereof shall provide instructions with respect to Series T Shares only to the Depository participant through whom such beneficial owner holds

such Series T Shares and registrations of ownership, transfers, purchases, surrenders and exchanges of Series T Shares will be made only through the Book-Entry Only System. Beneficial owners of Series T Shares will not have the right to receive share certificates representing their ownership of the Series T Shares.

14.2 Depository is Registered Holder

For the purposes of these Series T share provisions, as long as the Depository, or its nominee, is the registered Holder of the Series T Shares, the Depository, or its nominee, as the case may be, will be considered the sole Holder of the Series T Shares for the purpose of receiving notices or payments on or in respect of the Series T Shares, including payments of Series T Dividends, the Redemption Price or accrued and unpaid dividends, and the delivery of Series U Shares and certificates for those shares on the conversion into Series U Shares.

Number and Designation of and Rights, Privileges, Restrictions and Conditions Attaching to the Class AAA Preference Shares, Series U

22. Class AAA preference shares, Series U. Brookfield Office Properties Inc. (the “Corporation”)

The twentieth series of Class AAA Preference Shares of the Corporation shall consist of 10,000,000 Class AAA Preference Shares which shall be designated as Class AAA Preference Shares, Series U (hereinafter referred to as the “Series U Shares”) and which, in addition to the rights, privileges, restrictions and conditions attaching to the Class AAA Preference Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Consideration for Issue

The consideration for the issue of each Series U Share shall be \$25.00.

2. Dividends

2.1 Payment of Dividends

Holders of Series U Shares (the “Holders”) shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends (the “Series U Dividends”) payable quarterly on the last day of March, June, September and December (each, a “Dividend Payment Date”) at the rates herein provided by cheque at par in lawful money of Canada at any branch in Canada of the Corporation’s bankers for the time being or by any other reasonable means the Corporation deems desirable.

(a) During each Quarterly Floating Rate Period, Series U Dividends will be in an amount per share determined by multiplying the Floating Quarterly Dividend Rate applicable to such Quarterly Floating Rate Period by \$25.00, and shall be payable quarterly on each Dividend Payment Date during such Quarterly Floating Rate Period.

(b) The Corporation will calculate on each Floating Rate Calculation Date the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period and will, on the Floating Rate Calculation Date, give written notice thereof to the Holders. Each such determination by the Corporation of the Floating Quarterly Dividend Rate will, in the absence of manifest error, be final and binding upon the Corporation and upon all Holders.

2.2 Method of Payment

Series U Dividends shall (except in case of redemption or conversion in which case payment of Series U Dividends shall, subject to the provisions of Section 14, be made on surrender of the certificate representing the Series U Shares to be redeemed or converted) be paid by sending to each Holder (in the manner provided for in Section 12) a cheque for such Series U Dividends (less any tax required to be deducted and withheld by the Corporation) payable to the order of such Holder or, in the case of joint Holders, to the order of all such Holders failing written instructions from them to the contrary. The posting or delivery of such cheque on or before the date on which such dividend is to be paid to a Holder shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be and in fact deducted and withheld by the Corporation from the related dividends as aforesaid and remitted to the proper taxing authority) unless such cheque is not honoured when presented for payment. Subject to applicable law, dividends which are represented by a cheque that has not been presented to the Corporation’s bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable shall be forfeited to the Corporation.

2.3 Cumulative Payment of Dividends

If on any Dividend Payment Date, the Series U Dividends accrued to such date are not paid in full on all of the Series U Shares then outstanding, such Series U Dividends, or the unpaid part thereof, shall be paid on a subsequent date or dates determined by the directors on which the Corporation shall have sufficient monies properly applicable to the payment of such Series U Dividends. The Holders shall not be entitled to any dividends other than or in excess of the Series U Dividends.

2.4 Dividend for Other than a Full Quarterly Floating Rate Period

The Holders shall be entitled to receive, and the Corporation shall pay thereon, if, as and when declared by the directors, out of moneys of the Corporation properly applicable to the payment of dividends, Series U Dividends for any period which is less than a full Quarterly Floating Rate Period, a dividend in an amount per Series U Share equal to the amount obtained (rounded to five decimal places) when the product of the Floating Quarterly Dividend Rate and \$25.00 is multiplied by a

fraction, the numerator of which is the number of calendar days in the relevant period (which shall include the first and last day of such period) and the denominator of which is the number of calendar days in the year in which such period falls.

3. Redemption

3.1 Optional Redemption

The Corporation may not redeem any of the Series U Shares prior to December 31, 2018. Thereafter, the Corporation may, subject to the terms of any shares ranking prior to the Series U Shares, to applicable law and to the provisions described under Section 5 below, upon giving notice as hereinafter provided, at its option and at any time without the consent of the Holders, redeem all, or from time to time any part, of the then outstanding Series U Shares by the payment of an amount in cash for each Series U Share so redeemed equal to (i) \$25.00 in the case of redemptions on December 31, 2023 and on December 31 every five years thereafter (each a “Series U Conversion Date”), or (ii) \$25.50 in the case of redemptions on any date which is not a Series U Conversion Date on or after December 31, 2018 in each case including all accrued and unpaid Series U Dividends up to but excluding the date fixed for redemption (the “Redemption Price”) (less any tax required to be deducted and withheld by the Corporation).

3.2 Partial Redemption

If less than all of the then outstanding Series U Shares are at any time to be redeemed, then the particular Series U Shares to be redeemed shall be selected on a pro rata basis disregarding fractions or, with the consent of the Toronto Stock Exchange, if the Series U Shares are at such time listed on such exchange, in such manner as the directors in their sole discretion may, by resolution, determine.

3.3 Method of Redemption

The Corporation shall give notice in writing not less than 30 days nor more than 60 days prior to the applicable Series U Conversion Date of its intention to redeem such Series U Shares to each person who at the date of giving such notice is the Holder of Series U Shares to be redeemed. Any such notice shall be validly and effectively given on the date on which it is sent to each Holder of Series U Shares to be redeemed in the manner provided for in Section 12. Such notice shall set out the number of such Series U Shares held by the person to whom it is addressed which are to be redeemed and the Redemption Price and shall also set out the date on which the redemption is to take place. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to the Holders to be redeemed the Redemption Price (less any tax required to be deducted and withheld by the Corporation) on presentation and surrender, at any place within Canada designated by such notice, of the certificate or certificates for such Series U Shares so called for redemption, subject to the provisions of Section 14. Such payment shall be made by cheque in the amount of the Redemption Price (less any tax required to be and in fact deducted and withheld by the Corporation and remitted to the proper taxing authority) payable at par at any branch in Canada of the Corporation’s bankers for the time being or by any other reasonable means that the Corporation deems desirable and the delivery of such cheque in such amount shall be a full and complete discharge of the Corporation’s obligation to pay the Redemption Price owed to the Holders of Series U Shares so called for redemption to the extent of the sum represented thereby (plus the amount of any tax required to be and in fact deducted and withheld by the Corporation and remitted to the proper taxing authority) unless the cheque is not honoured when presented for payment. From and after the date specified in any such notice, the Series U Shares called for redemption shall cease to be entitled to Series U Dividends and the Holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof, except to receive the Redemption Price therefor (less any tax required to be deducted and withheld by the Corporation), unless payment of the Redemption Price shall not be duly made by the Corporation. At any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the Redemption Price of any or all Series U Shares called for redemption (less any tax required to be deducted and withheld by the Corporation), or such part thereof as at the time of deposit has not been claimed by the Holders entitled thereto, with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective Holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, subject to the provisions of Section 14. Upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption. After the Corporation has made a deposit as aforesaid with respect to any shares, the Holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the Holders thereof shall be limited to receiving a proportion of the amounts so deposited applicable to such shares, without interest. Any interest allowed on such deposit shall belong to the Corporation. Subject to applicable law, redemption monies that are represented by a cheque which has not been presented to the Corporation’s bankers for payment or that otherwise remain unclaimed (including monies held in deposit as provided for above) for a period of six years from the date specified for redemption shall be forfeited to the Corporation.

4. Conversion of Series U Shares

4.1 Conversion at the Option of the Holder

(a) Subject to applicable law and the terms and provisions hereof, Holders will have the right, at their option, on each Series U Conversion Date, to convert all, or any part of, the then outstanding Series U Shares registered in the name of the Holder into Class AAA Preference Shares, Series T (“Series T Shares”) on the basis of one (1) Series T Share for each Series U Share. The Corporation shall provide written notice not less than 30 and not more than 60 days prior to the applicable Series U Conversion Date to the Holders of the conversion privilege provided for herein (the “Conversion

Privilege”). Such notice shall (i) set out the Series U Conversion Date, and (ii) include instructions to such Holders as to the method by which such Conversion Privilege may be exercised, as described in Section 4.3. On the 30th day prior to each Series U Conversion Date, the Corporation will provide to the Holders written notice of the Floating Quarterly Dividend Rate applicable to the Series U Shares for the next succeeding Quarterly Floating Rate Period and the Annual Fixed Dividend Rate applicable to the Series T Shares for the next succeeding Subsequent Fixed Rate Period, in each case as determined by the Corporation.

(b) If the Corporation gives notice as provided in Section 3 to the Holders of the redemption of all the Series U Shares, the Corporation will not be required to give notice as provided in this Section 4.1 to the Holders of the Floating Quarterly Dividend Rate, Annual Fixed Dividend Rate or Conversion Privilege and the right of any Holder to convert Series U Shares as herein provided shall cease and terminate in that event.

(c) Holders shall not be entitled to convert their shares into Series T Shares on a Series U Conversion Date if the Corporation determines that there would remain outstanding on the Series U Conversion Date less than 1,000,000 Series T Shares after taking into account all Series U Shares tendered for conversion into Series T Shares and all Series T Shares tendered for conversion into Series U Shares. The Corporation shall give written notice thereof to all affected Holders at least seven (7) days prior to the applicable Series U Conversion Date and, subject to the provisions of Section 14, shall issue and deliver, or cause to be delivered, prior to such Series U Conversion Date, at the expense of the Corporation, to the Holders who have surrendered for conversion any endorsed certificate or certificates representing Series U Shares new certificates representing the Series U Shares represented by any certificate or certificates surrendered as aforesaid.

4.2 Automatic Conversion

If the Corporation determines that there would remain outstanding on a Series U Conversion Date less than 1,000,000 Series U Shares after taking into account all Series U Shares tendered for conversion into Series T Shares and all Series T Shares tendered for conversion into Series U Shares, then, all, but not part, of the remaining outstanding Series U Shares shall automatically be converted into Series T Shares on the basis of one (1) Series T Share for each Series U Share on the applicable Series U Conversion Date. The Corporation shall give notice in writing thereof to the Holders of such remaining Series U Shares at least seven (7) days prior to the Series U Conversion Date.

4.3 Manner of Conversion

(a) Subject to the provisions of Section 14, the Conversion Privilege may be exercised by notice in writing (an “Election Notice”) given not earlier than the 30th day prior to a Series U Conversion Date but not later than 5:00 p.m. (Toronto time) on the 15th day preceding the applicable Series U Conversion Date during usual business hours at any principal transfer office of the Transfer Agent, or such other place or places in Canada as the Corporation may agree, accompanied by (1) payment or evidence of payment of the tax (if any) payable as provided in this Section 4.3; and (2) the certificate or certificates representing the Series U Shares in respect of which the Holder thereof desires to exercise the Conversion Privilege with the transfer form on the back thereof or other appropriate stock transfer power of attorney duly endorsed by the Holder, or his or her attorney duly authorized in writing, in which Election Notice such Holder may also elect to convert part only of the Series U Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation will issue and deliver or cause to be delivered to such Holder, at the expense of the Corporation, a new certificate representing the Series U Shares represented by such certificate or certificates that have not been converted. Each Election Notice will be irrevocable once received by the Corporation.

(b) If the Corporation does not receive an Election Notice from a Holder during the notice period therefor, then the Series U Shares shall be deemed not to have been converted (except in the case of an automatic conversion pursuant to Section 4.2).

(c) In the event the Corporation is required to convert all remaining outstanding Series U Shares into Series T Shares on the applicable Series U Conversion Date as provided for in Section 4.2, the Series U Shares in respect of which the Holders have not previously elected to convert shall be converted on the Series U Conversion Date into Series T Shares and the Holders thereof shall be deemed to be holders of Series T Shares at 5:00 p.m. (Toronto time) on the Series U Conversion Date and shall be entitled, upon surrender during usual business hours at any principal transfer office of the Transfer Agent, or such other place or places in Canada as the Corporation may agree, of the certificate or certificates representing Series U Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series T Shares in the manner and subject to the terms and provisions as provided in this Section 4.3 and Section 14.

(d) Subject to the provisions of Section 14, as promptly as practicable after the Series U Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the Holder of the Series U Shares so surrendered in accordance with this Section 4, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such Holder representing the number of fully-paid and non-assessable Series T Shares and the number of remaining Series U Shares, if any, to which such Holder is entitled. Such conversion shall be deemed to have been made at 5:00 p.m. (Toronto time) on the Series U Conversion Date, so that the rights of the Holder of such Series U Shares as the Holder thereof shall cease at such time and the person or persons entitled to receive the Series T Shares upon such conversion will be treated for all purposes as having become the holder or holders of record of such Series T Shares at such time.

(e) The Holder of any Series U Share on the record date for any Series U Dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into Series T Shares after such record date and on or before the date of the payment of such dividend.

(f) Subject to the provisions of Section 14, the issuance of certificates for the Series T Shares upon the conversion of Series U Shares shall be made without charge to the converting Holders for any fee or tax in respect of the issuance of such certificates or the Series T Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series T Shares are issued in respect of the issuance of such Series T Shares or the certificate therefor or which may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in the name or names other than that of the Holder or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

4.4 Status of Converted Series U Shares

All Series U Shares converted into Series T Shares on a Series U Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Series U Conversion Date and available for issuance on the conversion of the Series T Shares.

4.5 Right Not to Deliver Series T Shares

On the exercise of the Conversion Privilege by a Holder, the Corporation reserves the right not to deliver Series T Shares to any Ineligible Person.

5. Restrictions on Dividends and Retirement and Issue of Shares

So long as any of the Series U Shares are outstanding, the Corporation shall not, without the approval of the Holders:

(a) declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking as to capital and dividends junior to the Series U Shares) on any shares of the Corporation ranking as to dividends junior to the Series U Shares;

(b) except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking as to return of capital and dividends junior to the Series U Shares, redeem or call for redemption, purchase or otherwise pay off, retire or make any return of capital in respect of any shares of the Corporation ranking as to capital junior to the Series U Shares;

(c) redeem or call for redemption, purchase or otherwise pay off or retire for value or make any return of capital in respect of less than all of the Series U Shares then outstanding; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption, purchase or otherwise pay off, retire or make any return of capital in respect of any Class AAA Preference Shares, ranking as to the payment of dividends or return of capital on a parity with the Series U Shares;

unless, in each such case, all accrued and unpaid dividends up to and including the Series U Dividend payable for the last completed Quarterly Floating Rate Period and on all other shares of the Corporation ranking prior to or on a parity with the Series U Shares with respect to the payment of dividends have been declared and paid or set apart for payment.

6. Purchase for Cancellation

Subject to applicable law and to the provisions described in Section 5 above, the Corporation may at any time purchase for cancellation the whole or any part of the Series U Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the directors such shares are obtainable.

7. Liquidation, Dissolution or Winding-Up

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 shall be entitled to payment of an amount equal to \$25.00 per Series U Share, plus an amount equal to all accrued and unpaid Series U Dividends up to but excluding the date of payment or distribution (less any tax required to be deducted and withheld by the Corporation), before any amounts shall be paid or any assets of the Corporation distributed to the holders of any shares ranking junior as to capital to the Series U Shares. Upon payment of such amounts, the Holders shall not be entitled to share in any further distribution of the assets of the Corporation.

8. Voting Rights

The Holders will not be entitled (except as otherwise provided by law and except for meetings of the holders of Class AAA Preference Shares as a class and meetings of the Holders as a series) to receive notice of, attend, or vote at any meeting of shareholders of the Corporation unless and until the Corporation shall have failed to pay eight quarterly Series U Dividends whether or not consecutive. In the event of such non payment, and for only so long as any such dividends remain in arrears, the Holders shall have the right to receive notice of and to attend each meeting of shareholders of the Corporation, other than meetings at which only holders of another specified class or series are entitled to vote, and such Holders shall have the right, at any such meeting, to one (1) vote for each Series U Share held. No other voting rights shall attach to the Series U Shares in any circumstances. Upon payment of the entire amount of all Series U Dividends in arrears, the voting

rights of the Holders shall forthwith cease (unless and until the same default shall again arise under the provisions of this Section 8.

9. Modifications

The Series U share provisions may be repealed, altered, modified or amended from time to time with such approval as may then be required by the Canada Business Corporations Act, any such approval to be given in accordance with Section 10.

10. Approval of Holders

10.1 Approval

Except as otherwise provided herein, any approval of the Holders with respect to any matters requiring the consent of the Holders may be given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by a resolution signed by all the Holders or passed by the affirmative vote of at least 66 2/3% of the votes cast by the Holders who voted in respect of that resolution at a meeting of the Holders duly called for that purpose and at which the Holders of a majority of the outstanding Series U Shares are present or represented by proxy. If at any such meeting the Holder(s) of a majority of the outstanding Series U Shares are not present or represented by proxy within one half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than 15 days thereafter and to such time and place as may be designated by the chairman of such meeting, and not less than 10 days' written notice shall be given of such adjourned meeting. At such adjourned meeting, the Holders(s) of Series U Shares represented in person or by proxy may transact the business for which the meeting was originally called and the Holders represented in person or by proxy shall form the necessary quorum. At any meeting of Holders as a series, each Holder shall be entitled to one (1) vote in respect of each Series U Share held.

10.2 Formalities, etc.

The proxy rules applicable to, the formalities to be observed in respect of the giving notice of, and the formalities to be observed in respect of the conduct of, any meeting or any adjourned meeting of Holders shall be those from time to time prescribed by the laws of the Corporation with respect to meetings of shareholders or, if not so prescribed, as required by law. On every poll taken at every meeting of Holders, each Holder entitled to vote thereat shall have one (1) vote in respect of each Series U Share held.

11. Tax Election

The Corporation shall elect, in the manner and within the time provided under the Tax Act, under subsection 191.2(1) of Part VI.1 of the Tax Act, or any successor or replacement provision of similar effect, and take all other necessary action under the Tax Act, to pay or cause payment of tax under Part VI.1 of the Tax Act at a rate such that the corporate Holders will not be required to pay tax on dividends received on the Series U Shares under section 187.2 of Part IV.1 of the Tax Act or any successor or replacement provision of similar effect.

12. Communications with Holders

Except as specifically provided elsewhere in these share conditions, any notice, cheque, invitation for tenders or other communication from the Corporation herein provided for shall be sufficiently given, sent or made if delivered or if sent by first class unregistered mail, postage prepaid, to each Holder at the last address of such Holder as it appears on the securities register of the Corporation or, in the case of joint Holders, to the address of the Holder whose name appears first in the securities register of the Corporation as one of such joint Holders, or, in the event of the address of any of such Holders not so appearing, then to the last address of such Holder known to the Corporation. Accidental failure to give such notice, invitation for tenders or other communication to one or more Holders shall not affect the validity of the notices, invitations for tenders or other communications properly given or any action taken pursuant to such notice, invitation for tender or other communication but, upon such failure being discovered, the notice, invitation for tenders or other communication, as the case may be, shall be sent forthwith to such Holder or Holders.

If any notice, cheque, invitation for tenders or other communication from the Corporation given to a Holder is returned on three consecutive occasions because the Holder cannot be found, the Corporation shall not be required to give or mail any further notices, cheques, invitations for tenders or other communications to such Holder until the Holder informs the Corporation in writing of such Holder's new address.

If the directors determine that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to a Holder, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by publication thereof once in a daily English language newspaper of general circulation published in each of Vancouver, Calgary, Winnipeg, Toronto, Montreal and Halifax, and once in a daily French language newspaper published in Montreal and such notice shall be deemed to have been validly given on the day next succeeding its publication in all of such cities; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for the delivery thereof to such Holder by the Transfer Agent, and such cheque and/or share certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the directors

determine that mail service is no longer interrupted or threatened to be interrupted, such cheque or share certificate, if not theretofore delivered to such Holder, shall be sent by mail as herein provided.

13. Interpretation

13.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

“Annual Fixed Dividend Rate” means, for any Subsequent Fixed Rate Period, the rate (expressed as a percentage rate rounded down to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date plus 3.16%.

“Bloomberg Screen GCAN5YR Page” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service (or such other page as may replace the GCAN5YR page on that service) for purposes of displaying Government of Canada bond yields.

“Book-Entry Only System” means the record book-entry only securities transfer and pledge system administered by the Depository in accordance with its operating rules and procedures in force from time to time or any successor system thereof.

“Conversion Privilege” has the meaning attributed to it in Section 4.1(a).

“Depository” means CDS Clearing and Depository Services Inc. and its nominees or any successor carrying on the business as a depository, which is approved by the Corporation.

“Dividend Payment Date” in respect of the dividends payable on the Series U Shares means the last day of each of March, June, September, and December in each year.

“Election Notice” has the meaning attributed to it in Section 4.3.

“Fixed Rate Calculation Date” means, for any Subsequent Fixed Rate Period, the 30th day prior to the first day of such Subsequent Fixed Rate Period.

“Floating Quarterly Dividend Rate” means, for any Quarterly Floating Rate Period, the rate (expressed as a percentage rate rounded down to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date plus 3.16% calculated on the basis of the actual number of days elapsed in such Quarterly Floating Rate Period divided by 365.

“Floating Rate Calculation Date” means, for any Quarterly Floating Rate Period, the 30th day prior to the first day of such Quarterly Floating Rate Period.

“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 which 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, the Government of Canada Yield will mean the average of the yields determined by two registered Canadian investment dealers selected by the Corporation, as being the yield to maturity on such date (assuming semiannual compounding) which a Canadian dollar denominated 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.

“Holder” has the meaning attributed to it in Section 2.1.

“Ineligible Person” means any person whose address is in, or whom the Corporation or the Transfer Agent has reason to believe is a resident of, any jurisdiction outside Canada where the issue or delivery to that person of Series U Shares or Series T Shares would require the Corporation to take any action to comply with securities or analogous laws of that jurisdiction

“Quarterly Commencement Date” means the 1st day of each of April, July, October and January in each year.

“Quarterly Floating Rate Period” means, for the initial Quarterly Floating Rate Period, the period commencing on January 1, 2019 and ending on and including March 31, 2019, and thereafter the period from and including the day immediately following the end of the immediately preceding Quarterly Floating Rate Period to but excluding the next succeeding Quarterly Commencement Date.

“Redemption Price” has the meaning attributed to it in Section 3.1.

“Series T Shares” means the Class AAA Preference Shares, Series T.

“Series U Conversion Date” has the meaning attributed to it in Section 3.1.

“Series U Dividends” has the meaning attributed to it in Section 2.1.

“Series U Shares” has the meaning attributed to it in the introductory paragraph to the Series U share provisions.

“Subsequent Fixed Rate Period” means for the initial Subsequent Fixed Rate Period, the period commencing on January 1, 2019 and ending on and including December 31, 2024 and for each succeeding Subsequent Fixed Rate Period, the period commencing on the day immediately following the end of the immediately preceding Subsequent Fixed Rate Period and ending on and including December 31 in the fifth year thereafter.

“Tax Act” means the Income Tax Act (Canada), as amended.

“T-Bill Rate” means, for any Quarterly Floating Rate Period, the average yield expressed as a percentage per annum 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.

“Transfer Agent” means CIBC Mellon Trust Corporation, a trust company existing under the laws of Canada, or such other person as from time to time may be the registrar and transfer agent for the Series U Shares.

13.2 Interpretation of Terms

In these Series U share provisions:

(a) “accrued and unpaid dividends” means the aggregate of (i) all unpaid Series U Dividends for any completed Quarterly Floating Rate Period; and (ii) a cash amount calculated as though Series U Dividends had been accruing on a day to day basis from but excluding the date on which the last quarterly dividend was payable up to and including the date to which the computation of accrued dividends is to be made;

(b) “in priority to”, “on a parity with” and “junior to” have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs;

(c) in the event that any date on which any Series U Dividend is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the Holders hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A “business day” shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday in the province of Ontario;

(d) in the event of the non-receipt of a cheque by a Holder entitled to the cheque, or the loss or destruction of the cheque, the Corporation, on being furnished with reasonable evidence of non-receipt, loss or destruction, and an indemnity reasonably satisfactory to the Corporation, will issue to the Holder a replacement cheque for the amount of the original cheque;

(e) the Corporation will be entitled to deduct or withhold from any amount payable to a Holder under these Series U share provisions any amount required by law to be deducted or withheld from that payment;

(f) reference to any statute is to that statute as in force from time to time, including any regulations, rules, policy statements or guidelines made under that statute, and includes any statute which may be enacted in substitution of that statute;

(g) if it is necessary to convert any amount into Canadian dollars, the directors will select an appropriate method and rate of exchange to convert any non-Canadian currency into Canadian dollars; and

(h) all references herein to a Holder shall be interpreted as referring to a registered Holder.

14. Book-Entry Only System

14.1 Transfers etc. Through Participants

If the Series U Shares are held through the Book-Entry Only System, then the beneficial owner thereof shall provide instructions with respect to Series U Shares only to the Depository participant through whom such beneficial owner holds such Series U Shares and registrations of ownership, transfers, purchases, surrenders and exchanges of Series U Shares will be made only through the Book-Entry Only System. Beneficial owners of Series U Shares will not have the right to receive share certificates representing their ownership of the Series U Shares.

14.2 Depository is Registered Holder

For the purposes of these Series U share provisions, as long as the Depository, or its nominee, is the registered Holder of the Series U Shares, the Depository, or its nominee, as the case may be, will be considered the sole Holder of the Series U Shares for the purpose of receiving notices or payments on or in respect of the Series U Shares, including payments of Series U Dividends, the Redemption Price or accrued and unpaid dividends, and the delivery of Series T Shares and certificates for those shares on the conversion into Series T Shares.

Number and Designation of and Rights, Privileges, Restrictions and Conditions Attaching to the Class AAA Preference Shares, Series V

23. Class AAA preference shares, Series V. Brookfield Office Properties Inc. (the “Corporation”)

The twenty-second series of Class AAA Preference Shares shall consist of 1,805,489 Class AAA Preference Shares which shall be designated as Class AAA Preference Shares, Series V which replace the “Cumulative Redeemable Preferred Shares Series G” of BPO Properties Ltd. (the Class AAA Preference Shares, Series V shall hereinafter be referred to as the “Series G Preferred Shares”) and which, in addition to the rights, privileges, restrictions and conditions attaching to the Class AAA Preference Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Dividends

1.1 The holders of the Series G Preferred Shares shall be entitled to receive, as and when declared by the Board of Directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, cumulative, preferential cash dividends as follows:

(a) an initial dividend (the “Initial Dividend”) in respect of the period from and including the date of initial issue of the Series G Preferred Shares to but excluding February 14, 1986 (the “Initial Dividend Period”), payable on February 14, 1986 (the “Initial Dividend Payment Date”) in an amount per Series G Preferred Share equal to the amount obtained (rounded to five decimal places) when

(i) \$25.00 multiplied by 8.5%

is multiplied by

(ii) the number of days in the Initial Dividend Period divided by 365;

and

(b) dividends payable quarterly (the “Quarterly Dividends”) on the 14th day of each of the months of February, May, August and November in each year (the “Dividend Payment Dates”) commencing with May 14, 1986 in respect of the period from and including the immediately preceding Dividend Payment Date to but excluding the next succeeding Dividend Payment Date, in an amount per Series G Preferred Share equal to the amount obtained when the Quarterly Dividend Rate is multiplied by \$25.00.

1.2 In any case where dividends are payable for a period (the “Dividend Payment Period”) that ends on a date other than the day immediately preceding Initial Dividend Payment Date or a Dividend Payment Date, dividends shall be paid in the amount per Series G Preferred Share obtained when

(a) \$25.00 multiplied by

(i) 8.5%, in the case of dividends payable for a Dividend Payment Period ending on or before November 13, 1990; and

(ii) the Quarterly Dividend Rate which would be used to calculate the Quarterly Dividend payable on the next succeeding Dividend Payment Date, in the case of dividends payable after November 14, 1990

is multiplied by

(b) the number of days in such Dividend Payment Period divided by 365.

1.3 For the purpose of this clause 1:

(a) “Quarterly Dividend Rate” means

(i) 2.125%, in the case of dividends payable on or before November 14, 1990; and

(ii) one-quarter of seventy percent (70%) of the Average Prime Rate in effect on each day during the three month period ending on the 13th day of the calendar month which is three months prior to the month during which the Dividend Payment Date for which the determination is being made falls, in the case of dividends payable after November 14, 1990.

(b) “Banks” means The Toronto-Dominion Bank, Bank of Montreal, The Royal Bank of Canada, Canadian Imperial Bank of Commerce and Bank of Nova Scotia collectively, and the term “Bank” means one of the Banks and, for the purposes of this definition, “Banks” shall include any bank with which one or more of such Banks may merge and any bank which may become a successor to the business of one of such Banks.

(c) “Daily Prime Rate” means, for any Bank, on any day, the annual prime commercial lending rate of interest established and announced as the reference rate of interest used by such Bank on such day to determine the rates of interest on Canadian dollar loans to customers in Canada and designated by such Bank as its prime rate.

(d) “Average Daily Prime Rate” means, for any day, the arithmetic average, rounded to the nearest one-one-hundredth of one percent (0.01%), of the Daily Prime Rates of the Banks on such day; provided that, if on any day there shall be no Daily Prime Rate for some (but not all) of the Banks, the Average Daily Prime Rate for such day shall be the Daily Prime Rate of the other or others of the Banks having a Daily Prime Rate and further provided that if on any day there shall be no Daily Prime Rate for any of the Banks, the Average Daily Prime Rate for such day shall be 1.50% above the average yield per annum on 91 day Government of Canada Treasury Bills as reported by the Bank of Canada for the weekly tender immediately preceding such day.

(e) “Average Prime Rate” means, for any period, the arithmetic average (rounded to the nearest one-one-hundredth of one percent (0.01%)) of the Average Daily Prime Rate for each day during such period.

(f) Dividends shall accrue on a day-to-day basis.

1.4 Payment of any dividends may be made by cheque of the Corporation or its paying agent and such payment shall be a full and complete discharge of the Corporation’s obligation to pay the dividends unless the cheque is not honoured when presented for payment. Dividends which are represented by a cheque which has not been presented to the Corporation’s bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable may be reclaimed and used by the Corporation for its own purposes.

1.5 If on any Dividend Payment Date, the dividend payable on such date is not paid in full on all the Series G Preferred Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates determined by Board of Directors of the Corporation on which the Corporation shall have sufficient moneys or property properly applicable to the payment of the same. The holders of Series G Preferred Shares shall not be entitled to any dividends other than or in excess of the cumulative preferential cash dividends herein provided for.

2. Information and Voting Rights

The holders of the Series G Preferred Shares shall be entitled to receive all financial statements and other information sent by the Corporation to the holders of its Common Shares but they shall not, as such, except as expressly provided herein, have the right to receive notice of, or to attend or to vote at any meetings of shareholders of the Corporation unless the Corporation shall have failed to pay in the aggregate eight Quarterly Dividends (which term, for the purpose of this clause 2, shall include the Initial Dividend) on the Series G Preferred Shares in which case, and so long thereafter as any dividends on the Series G Preferred Shares continue to be in arrears, the holders of the Series G Preferred Shares shall be entitled to receive notice of and to attend all meetings of the holders of any other class or series of shares of the Corporation held separately as a class or series (other than the Class AAA Preference Shares or Series G Preferred Shares), but shall have no vote thereat, and shall be entitled, voting separately as a class together with all other holders of Series G, J, K, M and N Preferred Shares having such right, to elect two members of the Board of Directors of the Corporation and for such purpose the holders of the Series G Preferred Shares shall have one vote for each Series G Preferred Share held.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of all persons who may be directors of the Corporation at any time when the right to elect directors shall accrue to the holders of the Series G Preferred Shares as provided in this clause, or who may be appointed as directors after such right shall have accrued and before a meeting of shareholders shall have been held, shall terminate upon the election of new directors at the next annual meeting of shareholders or at a general meeting of shareholders which may be held for the purpose of electing directors at any time after the accrual of such right to elect directors upon not less than 21 days' notice. Any such general meeting shall be called by the Secretary of the Corporation upon the written request of the holders of at least 10% of the outstanding Series G Preferred Shares and in default of the calling of such general meeting by the Secretary within 5 days after the making of such request it may be called by any holder of Series G Preferred Shares.

Any vacancy occurring among members of the Board of Directors elected to represent the holders of Series G, J, K, M and N Preferred Shares in accordance with the foregoing provisions of this clause may be filled by the Board of Directors with the consent and approval of the remaining director elected to represent the holders of Series G, J, K, M and N Preferred Shares but if there be no such remaining director the Board of Directors may elect two holders of Series G, J, K, M and N Preferred Shares to fill the vacancy or vacancies. Whether or not such vacancies are so filled by the Board of Directors, the holders of at least 10% of the outstanding Series G Preferred Shares shall have the right to require the Secretary of the Corporation to call a meeting of the holders of Series G, J, K, M and N Preferred Shares for the purpose of filling the vacancies or replacing all or any of the persons filling such vacancies who have been appointed by the directors when there is no director in office who has been elected to represent the holders of Series G, J, K, M and N Preferred Shares and the provisions set forth in the immediately preceding paragraph shall apply in respect of the calling of such meeting.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of the directors elected by the holders of Series G, J, K, M and N Preferred Shares shall terminate forthwith when all arrears of dividends have been paid on the Series G, J, K, M and N Preferred Shares then outstanding and the vacancies thereby created may be filled by the remaining directors of the Corporation.

3. Purchase for Cancellation

Subject to the provisions of the Canada Business Corporations Act and other laws governing the Corporation, as now existing or hereafter amended, (such laws being hereinafter referred to as the "Act") and the articles of the Corporation, the Corporation may at any time or times purchase (if obtainable) the whole or any part of the outstanding Series G Preferred Shares either on the open market (including through or from an investment dealer or firm holding membership on a recognized stock exchange) or by invitation for tenders to all the holders of record of Series G Preferred Shares outstanding or in any other manner, at the lowest price or prices at which, in the opinion of the directors of the Corporation, such shares are then obtainable but not exceeding \$25.00 per share together, in each case, with an amount equal to all accrued and unpaid dividends thereon up to the date of purchase which, for greater certainty, shall include dividends calculated in accordance with clause 1 during the period from and including the immediately preceding Dividend Payment Date (which term shall, for the purposes of this clause, include the Initial Dividend Payment Date) to but excluding the date of purchase, and the costs of purchase.

In the case of a purchase of Series G Preferred Shares by tender, the Corporation shall give notice of its intention to invite tenders to all the holders of the Series G Preferred Shares by giving notice of such invitation to each holder of Series G Preferred Shares in accordance with the provisions from time to time of the by-laws of the Corporation respecting notice to shareholders. If upon any invitation for tenders under the provisions of this clause 3, the Corporation shall receive tenders of Series G Preferred Shares at the same price, which shares when added to any Series G Preferred Shares tendered at a lower price or prices aggregate a number greater than the number for which the Corporation is prepared to accept tenders, the Series G Preferred Shares so tendered at the same price which the Corporation determines to purchase shall be purchased as nearly as may be pro rata (disregarding fractions) in proportion to the total number of Series G Preferred Shares so tendered at such same price by each of the holders of Series G Preferred Shares who submitted tenders at such price. Any Series G Preferred Shares so purchased shall be cancelled and not reissued. If part only of the Series G Preferred Shares represented by any certificate shall be purchased, a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

4. Redemption at the Option of the Corporation

Series G Preferred Shares shall not be redeemable at the option of the Corporation prior to October 10, 1990. Subject to the provisions of the Act and the articles of the Corporation, the Corporation may, upon giving notice as hereinafter provided, at any time on or after October 10, 1990, redeem the whole or from time to time any part of the then outstanding Series G Preferred Shares on payment for each share to be redeemed of a price of \$25.00 together, in each case, with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption, which, for greater certainty, shall include dividends calculated in accordance with clause 1 hereof during the period from and including the immediately preceding Dividend Payment Date to but excluding the date fixed for redemption, (the whole constituting and being herein referred to as the "Redemption Price"). If the Corporation desires to redeem only part of the Series G Preferred Shares, the Series G Preferred Shares to be redeemed shall be selected by lot in single shares or in units of 10 shares or less in such manner as the Board of Directors of the Corporation may determine or pro rata disregarding fractions.

Any Series G Preferred Shares which are so redeemed shall be cancelled and not reissued.

5. Manner of Redemption

In the case of any redemption of Series G Preferred Shares pursuant to clause 4 hereof, the Corporation shall, at least 30 days before the date specified for redemption, give notice in writing to each person who at the date of the giving of such notice is the registered holder of Series G Preferred Shares to be redeemed, of the intention of the Corporation to redeem such Series G Preferred Shares. Any such notice shall be validly and effectively given on the date it is delivered to the holder of Series G Preferred Shares for whom it is intended or is sent by prepaid first class mail addressed to such holder at his address as it appears on the books of the Corporation, or in the event of the address of such holder not so appearing, then to the address of such holder last known to the Corporation, provided, however, that the accidental failure or omission to give such notice as aforesaid to one or more holders shall not affect the validity of the redemption, but upon the failure or omission being discovered, notice shall be given forthwith to such holder or holders and shall have the same force and effect as if given in due time. Such notice shall set out the date (the "Redemption Date") on which the redemption is to take place, the Redemption Price and, unless all the Series G Preferred Shares held by the holder to whom it is addressed are to be redeemed, the number of Series G Preferred Shares so held which are to be redeemed. On and after the Redemption Date, the Corporation shall pay or cause to be paid to the holders of the Series G Preferred Shares so called for redemption the Redemption Price therefor on presentation and delivery, at the registered office of the Corporation or at such other place or places within Canada designated in such notice, of the certificate or certificates representing the Series G Preferred Shares so called for redemption. Payment of the Redemption Price shall be made by cheque of the Corporation or its paying agent and such payment shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series G Preferred Shares so called for redemption unless the cheque is not honoured when presented for payment. From and after the Redemption Date, the holders of Series G Preferred Shares called for redemption shall not be entitled to exercise any of the rights of holders of Series G Preferred Shares in respect of such shares except the right to receive the Redemption Price therefor, provided that if payment of such Redemption Price is not duly made by or on behalf of the Corporation in accordance with the provisions hereof, then the rights of such holders shall remain unaffected. If part only of the Series G Preferred Shares represented by any certificate shall be redeemed, a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

The Corporation shall have the right, at any time after giving notice of its intention to redeem any Series G Preferred Shares, to deposit the aggregate Redemption Price of the Series G Preferred Shares so called for redemption or of such of the Series G Preferred Shares represented by certificates as have not at the date of such deposit been delivered by the holders thereof in connection with such redemption, in a special account in any chartered bank or any trust company in Canada (including any affiliate of the Corporation) to be paid without interest to or to the order of the respective holders of the Series G Preferred Shares called for redemption, upon presentation and delivery to such bank or trust company of the certificates representing such Series G Preferred Shares. Upon such deposit being made, the rights of the holders of the Series G Preferred Shares in respect whereof such deposit shall have been made, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited upon presentation and delivery of the certificates representing the Series G Preferred Shares held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. Redemption moneys in respect of any Redemption Date held on deposit to a special account for a period of three years from the applicable Redemption Date may be returned to the Corporation. Redemption moneys which remain unclaimed (including moneys returned to the Corporation from a special account after three years) for a period of six years from the Redemption Date may be reclaimed and used by the Corporation for its own purposes.

6. Restrictions on Dividends, Retirement and Issue of Shares

As long as any Series G Preferred Shares are outstanding, the Corporation shall not, without prior approval of the holders of such outstanding Series G Preferred Shares given in the manner hereinafter specified:

(a) declare or pay or set apart for payment any dividends on the Common Shares or on shares of any other class of the Corporation ranking as to dividends junior to the Series G Preferred Shares (other than stock dividends in shares of the Corporation ranking as to capital and dividends junior to the Series G Preferred Shares); or

(b) except out of the net cash proceeds of a substantially concurrent issue of shares ranking as to capital and dividends junior to the Series G Preferred Shares redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of the Common Shares or shares of any other class of the Corporation ranking as to capital junior to the Series G Preferred Shares; or

(c) redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of less than all of the Series G Preferred Shares; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of any shares of any other class or series of the Corporation ranking as to capital *pari passu* with the Series G Preferred Shares; or

(e) issue any additional Class AAA Preference Shares (other than pursuant to the exercise of existing rights to convert outstanding shares of the Corporation into Class AAA Preference Shares of an existing series) or any shares ranking as to dividends or capital prior to or *pari passu* with the Class AAA Preference Shares;

unless at the date of such declaration, payment, setting apart for payment, redemption, call for redemption or purchase or reduction or return of capital, as the case may be, all accrued and unpaid cumulative dividends up to and including the Quarterly Dividend payable on the immediately preceding Dividend Payment Date, shall have been declared and paid or set apart for payment on the Series G Preferred Shares and any accrued and unpaid cumulative dividends which have become payable and any declared and unpaid non-cumulative dividends shall have been paid or set apart for payment on all outstanding Class AAA Preference Shares and all other shares ranking as to dividends prior to or *pari passu* with the Series G Preferred Shares.

7. Liquidation, Dissolution and Winding-Up

In the event of liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, the holders of the Series G Preferred Shares shall be entitled to be paid and to receive \$25.00 per share plus an amount equal to all accrued and unpaid dividends thereon to but excluding the date of payment, before any amount shall be paid or any assets of the Corporation shall be distributed to the holders of the Common Shares or of shares of any other class of the Corporation ranking as to capital junior to the Series G Preferred Shares. Upon payment to the holders of the Series G Preferred Shares of the amount so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

8. Interpretation

In the event that any date on which any dividend on Series G Preferred Shares is payable by the Corporation, or on or by which any other action is required to be taken by the Corporation hereunder, is not a Business Day, then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a Business Day.

For the purposes of these share provisions, “Business Day” means a day other than a Saturday, a Sunday or any other day that is treated as a statutory holiday in the jurisdiction in which the Corporation’s registered office is located.

In the event of the non-receipt of a cheque by the holder of Series G Preferred Shares entitled to such cheque, or the loss or destruction thereof, the Corporation, upon being furnished with reasonable evidence of such non-receipt, loss or destruction and indemnity reasonably satisfactory to the Corporation, shall issue to such holder a replacement cheque for the amount of such cheque.

9. Mail Service Disruption

If the directors of the Corporation determine that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder, or is required to send any cheque or any share certificate to the holder of any Series G Preferred Share, whether in connection with the redemption or such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by means of publication once in each of two successive weeks in one daily English language newspaper of general circulation published in each of the Provinces of Canada and once in a daily French language newspaper of general circulation published in Montreal and notice so published shall be deemed to have been given on the date on which the first publication has taken place in the last of the Provinces of Canada;

(b) fulfill the requirement to send such cheque or such share certificate by arranging for the delivery thereof to such holder by the Transfer Agent at its principal offices in the cities of Vancouver, Calgary, Regina, Winnipeg, Toronto, Montreal and Halifax, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the directors of the Corporation determine that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by mail as herein provided. In the event that the Corporation is required to mail such share certificate, such mailing shall be made by prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such certificate.

10. Amendment

The provisions contained in clauses 1 to 11 inclusive (including this clause) attaching to the Series G Preferred Shares or any of them may be deleted, varied, modified, amended or amplified by Articles of Amendment but only with the prior approval of the holders of the Series G Preferred Shares given in accordance with clause 11 hereof, in addition to any vote, authorization, confirmation or approval required by the Act.

11. Approval of Holders of Series G Preferred Shares

The approval of the holders of Series G Preferred Shares required as to any and all matters referred to herein (in addition to or as distinct from any vote, authorization, confirmation or approval required by the Act) may be given by an instrument

or instruments in writing signed by the holders of all of the issued and outstanding Series G Preferred Shares or by a resolution passed by at least 66 2/3% of the votes cast at a meeting of the holders of the Series G Preferred Shares duly called for that purpose and held in accordance with the provisions of clause 4 of the provisions attaching to the Class AAA Preference Shares as a class, mutatis mutandis, with Series G Preferred Shares having one vote for such purposes for each Series G Preferred Share held.

**Number and Designation of
and Rights, Privileges, Restrictions
and Conditions Attaching to the
Class AAA Preference Shares, Series W**

24. Class AAA preference shares, Series W. Brookfield Office Properties Inc. (the “Corporation”)

The twenty-third series of Class AAA Preference Shares shall consist of 3,816,527 Class AAA Preference Shares which shall be designated as Class AAA Preference Shares, Series W which replace the “\$25 Floating Rate Cumulative Redeemable Preferred Shares Series J” of BPO Properties Ltd. (the Class AAA Preference Shares, Series W shall hereinafter be referred to as the “Series J Preferred Shares”) and, in addition to the rights, privileges, restrictions and conditions attaching to the Class AAA Preference Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Dividends

1.1 The holders of the Series J Preferred Shares shall be entitled to receive, as and when declared by the Board of Directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, cumulative, preferential cash dividends as follows:

(a) an initial dividend (the “Initial Dividend”) payable on May 14, 1986 (the “Initial Dividend Payment Date”) in an amount per Series J Preferred Share equal to the amount obtained (rounded to five decimal places) when

(i) \$25.00 multiplied by an annual rate equivalent to 70% of the Average Daily Prime Rate quoted by the Banks on February 17, 1986

is multiplied by

(ii) the number of days in the period from and including the date of issue of the Series J Preferred Shares to but excluding May 14, 1986 divided by 365;

and

(b) dividends payable quarterly (the “Quarterly Dividends”) on the 14th day of each of the months of February, May, August and November in each year (the “Dividend Payment Dates”) commencing with August 14, 1986 in respect of the period from and including the immediately preceding Dividend Payment Date to but excluding the next succeeding Dividend Payment Date in an amount per Series J Preferred Share calculated in accordance with clause 1.2 hereof.

Dividends shall accrue on a day-to-day basis.

1.2 The Quarterly Dividend to be paid per Series J Preferred Share on any Dividend Payment Date shall be the amount obtained when the Quarterly Dividend Rate is multiplied by \$25.00.

For the purpose of the calculation of Quarterly Dividends on the Series J Preferred Shares on any Dividend Payment Date:

(a) “Quarterly Dividend Rate” means one-quarter of seventy percent (70%) of the Average Prime Rate for the three calendar months ending on the last day of the calendar quarter prior to the month during which the Dividend Payment Date for which the determination is being made falls.

(b) “Banks” means the Toronto-Dominion Bank and Bank of Montreal collectively, and the term “Bank” means one of the Banks and, for the purposes of this definition, “Banks” shall include any bank with which one or more of such Banks may merge and any bank which may become a successor to the business of one of such Banks.

(c) “Daily Prime Rate” means, for either Bank, on any day, the annual prime commercial lending rate of interest established and announced as the reference rate of interest used by such Bank on such day to determine the rates of interest on Canadian dollar loans to customers in Canada and designated by such Bank as its prime rate.

(d) “Average Daily Prime Rate” means, for any day, the arithmetic average, rounded to the nearest one-one-hundredth of one percent (0.01%), of the Daily Prime Rates of the Banks on such day; provided that, if on such day there shall be no Daily Prime Rate for one (but not both) of the Banks, the Average Daily Prime Rate for such day shall be the Daily Prime Rate of the other of such Banks and further provided that if on such day there shall be no Daily Prime Rate for either of the Banks, the Average Daily Prime Rate for such day shall be 1.50% above the average yield per annum on 91 day Government of Canada Treasury Bills as reported by the Bank of Canada for the weekly tender immediately preceding such day.

(e) “Average Prime Rate” means, for any period, the arithmetic average (rounded to the nearest one-one-hundredth of one percent (0.01%)) of the Average Daily Prime Rate for each day during such period.

In any case where dividends are payable for a period (the “Dividend Payment Period”) that ends on a date other than the day immediately preceding the Initial Dividend Payment Date or a Dividend Payment Date, dividends shall be paid in the amount per Series J Preferred Share obtained when

(a) \$25.00 multiplied by seventy percent (70%) of the Average Prime Rate for the period of ninety days ending on a date which is 45 days before the end of such Dividend Payment Period,

is multiplied by

(b) the number of days in such Dividend Payment Period divided by 365.

1.3 Payment of any dividends may be made by cheque of the Corporation or its paying agent and such payment shall be a full and complete discharge of the Corporation's obligation to pay the dividends unless the cheque is not honoured when presented for payment. Dividends which are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable may be reclaimed and used by the Corporation for its own purposes.

1.4 If on any Dividend Payment Date, the dividend payable on such date is not paid in full on all the Series J Preferred Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates determined by Board of Directors of the Corporation on which the Corporation shall have sufficient moneys or property properly applicable to the payment of the same. The holders of Series J Preferred Shares shall not be entitled to any dividends other than or in excess of the cumulative preferential cash dividends herein provided for.

2. Information and Voting Rights

The holders of the Series J Preferred Shares shall be entitled to receive all financial statements and other information sent by the Corporation to the holders of its Common Shares but they shall not, as such, except as expressly provided herein, have the right to receive notice of, or to attend or to vote at any meetings of shareholders of the Corporation unless the Corporation shall have failed to pay in the aggregate eight Quarterly Dividends (which term, for the purpose of this clause 2, shall include the Initial Dividend) on the Series J Preferred Shares in which case, and so long thereafter as any dividends on the Series J Preferred Shares continue to be in arrears, the holders of the Series J Preferred Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation other than any meetings of the holders of any other class or series of shares of the Corporation held separately as a class or series but shall have no vote thereat, and shall be entitled, voting separately as a class together with all other holders of Series G, J, K, M and N Preferred Shares having such right, to elect two members of the Board of Directors of the Corporation and for such purpose the holders of the Series J Preferred Shares shall have one vote for each Series J Preferred Share held.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of all persons who may be directors of the Corporation at any time when the right to elect directors shall accrue to the holders of the Series J Preferred Shares as provided in this clause, or who may be appointed as directors after such right shall have accrued and before a meeting of shareholders shall have been held, shall terminate upon the election of new directors at the next annual meeting of shareholders or at a general meeting of shareholders which may be held for the purpose of electing directors at any time after the accrual of such right to elect directors upon not less than 21 days' notice. Any such general meeting shall be called by the Secretary of the Corporation upon the written request of the holders of at least 10% of the outstanding Series J Preferred Shares and in default of the calling of such general meeting by the Secretary within 5 days after the making of such request it may be called by any holder of Series J Preferred Shares.

Any vacancy occurring among members of the Board of Directors elected to represent the holders of Series G, J, K, M and N Preferred Shares in accordance with the foregoing provisions of this clause may be filled by the Board of Directors with the consent and approval of the remaining director elected to represent the holders of Series G, J, K, M and N Preferred Shares but if there be no such remaining director the Board of Directors may elect two holders of Series G, J, K, M and N Preferred Shares to fill the vacancy or vacancies. Whether or not such vacancies are so filled by the Board of Directors, the holders of at least 10% of the outstanding Series J Preferred Shares shall have the right to require the Secretary of the Corporation to call a meeting of the holders of Series G, J, K, M and N Preferred Shares for the purpose of filling the vacancies or replacing all or any of the persons filling such vacancies who have been appointed by the directors when there is no director in office who has been elected to represent the holders of Series G, J, K, M and N Preferred Shares and the provisions set forth in the immediately preceding paragraph shall apply in respect of the calling of such meeting.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of the directors elected by the holders of Series G, J, K, M and N Preferred Shares shall terminate forthwith when all arrears of dividends have been paid on the Series G, J, K, M and N Preferred Shares then outstanding and the vacancies thereby created may be filled by the remaining directors of the Corporation.

3. Purchase for Cancellation

Subject to the provisions of the Canada Business Corporations Act and other laws governing the Corporation, as now existing or hereafter amended, (such laws being hereinafter referred to as the "Act") and the articles of the Corporation, the Corporation may at any time or times purchase (if obtainable) the whole or any part of the outstanding Series J Preferred Shares either on the open market (including purchase through or from an investment dealer or firm holding membership on a recognized stock exchange) or by invitation for tenders to all the holders of record of Series J Preferred Shares outstanding or in any other manner, at the lowest price or prices at which, in the opinion of the directors of the Corporation, such shares are then obtainable but not exceeding \$25.00 per share together, in each case, with an amount equal to all accrued and unpaid dividends thereon up to the date of purchase which, for greater certainty, shall include dividends calculated in accordance with clause 1 during the period from and including the immediately preceding Dividend Payment

Date (which term shall, for the purposes of this clause, include the Initial Dividend Payment Date) to but excluding the date of purchase, and the costs of purchase.

In the case of purchase of Series J Preferred Shares by tender, the Corporation shall give notice of its intention to invite tenders to all the holders of the Series J Preferred Shares by giving notice of such invitation to each holder of Series J Preferred Shares in accordance with the provisions from time to time of the by-laws of the Corporation respecting notice to shareholders. If upon any invitation for tenders under the provisions of this clause 3, the Corporation shall receive tenders of Series J Preferred Shares at the same price, which shares when added to any Series J Preferred Shares tendered at a lower price or prices aggregate a number greater than the number for which the Corporation is prepared to accept tenders, the Series J Preferred Shares so tendered at the same price which the Corporation determines to purchase shall be purchased as nearly as may be pro rata (disregarding fractions) in proportion to the total number of Series J Preferred Shares so tendered by each of the holders of Series J Preferred Shares who submitted tenders at such price. Any Series J Preferred Shares so purchased shall be cancelled and not reissued. If part only of the Series J Preferred Shares represented by any certificate shall be purchased, a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

4. Redemption at the Option of the Corporation

Series J Preferred Shares shall not be redeemable at the option of the Corporation prior to March 4, 1991. Subject to the provisions of the Act and the Articles of the Corporation, the Corporation may, upon giving notice as hereinafter provided, at any time on or after March 4, 1991, redeem the whole or from time to time any part of the then outstanding Series J Preferred Shares on payment for each share to be redeemed of a price of \$25.00 together, in each case, with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption, which, for greater certainty, shall include dividends calculated in accordance with clause 1 hereof during the period from and including the immediately preceding Dividend Payment Date to but excluding the date fixed for redemption, (the whole constituting and being herein referred to as the "Redemption Price"). If the Corporation desires to redeem only part of the Series J Preferred Shares, the Series J Preferred Shares to be redeemed shall be selected by lot in single shares or in units of 10 shares or less in such manner as the Board of Directors of the Corporation may determine or pro rata disregarding fractions.

Any Series J Preferred Shares which are so redeemed shall be cancelled and not reissued.

5. Manner of Redemption

In the case of any redemption of Series J Preferred Shares pursuant to clause 4 hereof, the Corporation shall, at least 30 days before the date specified for redemption, give notice in writing to each person who at the date of the giving of such notice is the registered holder of Series J Preferred Shares to be redeemed, of the intention of the Corporation to redeem such Series J Preferred Shares. Any such notice shall be validly and effectively given on the date it is delivered to the holder of Series J Preferred Shares for whom it is intended or is sent by prepaid first class mail addressed to such holder at his address as it appears on the books of the Corporation, or in the event of the address of such holder not so appearing, then to the address of such holder last known to the Corporation, provided however, that the accidental failure or omission to give such notice as aforesaid to one or more holders shall not affect the validity of the redemption, but upon the failure or omission being discovered, notice shall be given forthwith to such holder or holders and shall have the same force and effect as if given in due time. Such notice shall set out the date (the "Redemption Date") on which the redemption is to take place, the Redemption Price and, unless all the Series J Preferred Shares held by the holder to whom it is addressed are to be redeemed, the number of Series J Preferred Shares so held which are to be redeemed. On and after the Redemption Date, the Corporation shall pay or cause to be paid to the holders of the Series J Preferred Shares so called for redemption the Redemption Price therefor on presentation and delivery, at the registered office of the Corporation or at such other place or places within Canada designated in such notice, of the certificate or certificates representing the Series J Preferred Shares so called for redemption. Payment of the Redemption Price shall be made by cheque of the Corporation or its paying agent and such payment shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series J Preferred Shares so called for redemption unless the cheque is not honoured when presented for payment. From and after the Redemption Date, the holders of Series J Preferred Shares called for redemption shall not be entitled to exercise any of the rights of holders of Series J Preferred Shares in respect of such shares except the right to receive the Redemption Price therefor, provided that if payment of such Redemption Price is not duly made by or on behalf of the Corporation in accordance with the provisions hereof, then the rights of such holders shall remain unaffected. If part only of the Series J Preferred Shares represented by any certificate shall be redeemed, a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

The Corporation shall have the right, at any time after giving notice of its intention to redeem any Series J Preferred Shares, to deposit the aggregate Redemption Price of the Series J Preferred Shares so called for redemption or of such of the Series J Preferred Shares represented by certificates as have not at the date of such deposit been delivered by the holders thereof in connection with such redemption, in a special account in any chartered bank or any trust company in Canada (including any affiliate of the Corporation) to be paid without interest to or to the order of the respective holders of the Series J Preferred Shares called for redemption, upon presentation and delivery to such bank or trust company of the certificates representing such Series J Preferred Shares. Upon such deposit being made or upon the Redemption Date, whichever is the later, the Series J Preferred Shares in respect whereof such deposit shall have been made, shall be and shall be deemed to be redeemed and the rights of the holders thereof after such deposit or the Redemption Date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited

upon presentation and delivery of the certificates representing the Series J Preferred Shares held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. Redemption moneys in respect of any Redemption Date held on deposit to a special account for a period of three years from the applicable Redemption Date may be returned to the Corporation. Redemption moneys which remain unclaimed (including moneys returned to the Corporation from a special account after three years) for a period of six years from the Redemption Date may be reclaimed and used by the Corporation for its own purposes.

6. Restrictions on Dividends, Retirement and Issue of Shares

Subject to the provisions of the Act, as long as any Series J Preferred Shares are outstanding, the Corporation shall not, without prior approval of the holders of such outstanding Series J Preferred Shares given in the manner hereinafter specified:

(a) declare or pay or set apart for payment any dividends on the Common Shares or on shares of any other class of the Corporation ranking as to dividends junior to the Series J Preferred Shares (other than stock dividends in shares of the Corporation ranking as to capital and dividends junior to the Series J Preferred Shares); or

(b) except out of the net cash proceeds of a substantially concurrent issue of shares ranking as to capital and dividends junior to the Series J Preferred Shares redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of the Common Shares or shares of any other class of the Corporation ranking as to capital junior to the Series J Preferred Shares; or

(c) redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of less than all of the Series J Preferred Shares; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of any shares of any other class or series of the Corporation ranking as to capital *pari passu* with the Series J Preferred Shares; or

(e) issue any additional Class AAA Preference Shares (other than pursuant to the exercise of existing rights to convert outstanding shares of the Corporation into Class AAA Preference Shares of an existing series) or any shares ranking as to dividends or capital prior to or *pari passu* with the Class AAA Preference Shares;

unless at the date of such declaration, payment, setting apart for payment, redemption, call for redemption or purchase or reduction or return of capital, as the case may be, all accrued and unpaid cumulative dividends up to and including the dividend payment for the last completed period for which such dividends shall be payable, shall have been declared and paid or set apart for payment on the Series J Preferred Shares and any accrued and unpaid cumulative dividends which have become payable and any declared and unpaid non-cumulative dividends shall have been paid or set apart for payment on all other shares ranking as to dividends prior to or *pari passu* with the Series J Preferred Shares.

7. Liquidation, Dissolution and Winding-Up

In the event of liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, the holders of the Series J Preferred Shares shall be entitled to be paid and to receive \$25.00 per share plus an amount equal to all accrued and unpaid dividends thereon up to the date of payment, which for greater certainty, shall include dividends calculated in accordance with clause 1 during the period from and including the immediately preceding Dividend Payment Date (which term shall, for the purposes of this clause, include the Initial Dividend Payment Date) to but excluding the date of payment before any amount shall be paid or any assets of the Corporation shall be distributed to the holders of the Common Shares or of shares of any other class of the Corporation ranking as to capital junior to the Series J Preferred Shares. Upon payment to the holders of the Series J Preferred Shares of the amount so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

8. Interpretation

In the event that any date on which any dividend on Series J Preferred Shares is payable by the Corporation, or on or by which any other action is required to be taken by the Corporation hereunder, is not a Business Day, then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a Business Day.

For the purposes of these share provisions, “Business Day” means a day other than a Saturday, a Sunday or any other day that is treated as a statutory holiday in the jurisdiction in which the Corporation’s registered office is located.

In the event of the non-receipt of a cheque by the holder of Series J Preferred Shares entitled to such cheque, or the loss or destruction thereof, the Corporation, upon being furnished with reasonable evidence of such non-receipt, loss or destruction and indemnity reasonably satisfactory to the Corporation, shall issue to such holder a replacement cheque for the amount of such cheque.

9. Mail Service Disruption

If the directors of the Corporation determine that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder, or is required to send any cheque or any share certificate to the holder of any Series J Preferred Share, whether in connection with the redemption of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by means of publication once in each of two successive weeks in one daily English language newspaper of general circulation published in each of the Provinces of Canada and once in a daily French language news-

paper of general circulation published in Montreal and notice so published shall be deemed to have been given on the date on which the first publication has taken place in the last of the Provinces of Canada;

(b) fulfill the requirement to send such cheque or such share certificate by arranging for the delivery thereof to such holder by the Transfer Agent for the Series J Preferred Shares at its principal offices in the cities of Vancouver, Calgary, Regina, Winnipeg, Toronto, Montreal and Halifax, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the directors of the Corporation determine that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by mail as herein provided. In the event that the Corporation is required to mail such share certificate, such mailing shall be made by prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such certificate.

10. Amendment

The provisions contained in clauses 1 to 11 both inclusive (including this clause) attaching to the Series J Preferred Shares or any of them may be deleted, varied, modified, amended or amplified by Articles of Amendment but only with the prior approval of the holders of the Series J Preferred Shares given in accordance with clause 11 hereof, in addition to any vote, authorization, confirmation or approval required by the Act.

11. Approval of Holders of Series J Preferred Shares

11.1 The approval of the holders of Series J Preferred Shares required as to any and all matters referred to herein (in addition to or as distinct from any vote, authorization, confirmation or approval required by the Act) may be given by an instrument or instruments in writing signed by the holders of all of the issued and outstanding Series J Preferred Shares or by a resolution passed by at least 66 2/3% of the votes cast at a meeting of the holders of the Series J Preferred Shares duly called for that purpose and held in accordance with the provisions of clause 4 of the provisions attaching to the Class AAA Preference Shares as a class, mutatis mutandis, with Series J Preferred Shares having one vote for such purposes for each Series J Preferred Share held.

11.2 If the Series E Preferred Shares are subdivided and if the rights, privileges, restrictions and conditions attaching to the Series E Preferred Shares conform or are made to conform to those attaching to the Series J Preferred Shares, the Series E Preferred Shares may be changed into a similar number of Series J Preferred Shares without the approval of the holders of the Series J Preferred Shares.

Number and Designation of and Rights, Privileges, Restrictions and Conditions Attaching to the Class AAA Preference Shares, Series X

25. Class AAA preference shares, Series X. Brookfield Office Properties Inc. (the "Corporation")

All terms used in Part I of this Exhibit which are defined in Part II of this Exhibit have the meaning in Part I of this Exhibit ascribed thereto in Part II of this Exhibit.

The twenty-fourth series of Class AAA Preference Shares of the Corporation shall consist of 300 shares designated Class AAA Preference Shares, Series X which replace the "Cumulative Redeemable Preferred Shares Series K" of BPO Properties Ltd. (the Class AAA Preference Shares, Series X shall hereinafter be referred to as the "Series K Preferred Shares") and, in addition to the rights, privileges, restrictions and conditions attaching to the Class AAA Preference Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Dividends

(a) In this Exhibit:

(i) "Dividend Payment Date" means September 18, 1986 and the Thursday following the third Wednesday of each month thereafter, except that if such Thursday is not a Business Day, the Dividend Payment Date will be the first Business Day following such Thursday;

(ii) "Dividend Period" means (i) in respect of the initial dividend on the Series K Preferred Shares, the period from and including the original date of issue of Series K Preferred Shares to but excluding September 18, 1986, and (ii) in respect of subsequent dividends on the Series K Preferred Shares, the period from and including each Dividend Payment Date to but excluding the next succeeding Dividend Payment Date;

(iii) "Dividend Rate" means the Current Dividend Rate determined in an Auction of the Series K Preferred Shares conducted on the Business Day next preceding the commencement of each Dividend Period (other than the initial Dividend Period), as contemplated in Part II hereof; provided that, if the Corporation fails to pay the full amount of any dividend when due (whether or not declared) or fails to redeem any Series K Preferred Shares after it has given notice of redemption in respect thereof (A) for any reason except as a result of an accidental or inadvertent error or omission on the part of the Corporation or the Trust Company, or (B) as a result of an accidental or inadvertent error or omission on the part of the Corporation or the Trust Company which is not remedied within three Business Days from the applicable Dividend Payment Date or Redemption Date (as defined in Article 3 of this Part), as the case may be, the Dividend Rate will no longer be based on the results of an Auction and will be, during each subsequent Dividend Period, a rate per annum equal to the Bankers' Acceptance Rate in effect on the Business Day next preceding the commencement of such Dividend Period plus 0.40%.

(b) Except as otherwise provided in Article 1(c) of this Part, the holders of the Series K Preferred Shares shall be entitled to receive, as and when declared by the Board of Directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, cumulative, preferential cash dividends in the amount per share determined from time to time in accordance with the provisions of Article 25.1(d) of this Part to be paid on a Dividend Payment Date. Except as otherwise provided in Article 1(c) of this Part, the dividends on Series K Preferred Shares shall accrue from and include the original date of issue of Series K Preferred Shares or accrue from and include the last Dividend Payment Date in respect of which dividends have been paid or made available for payment, whichever is later.

The Corporation shall pay to, or cause to be paid to, or to the order of, the holders of Series K Preferred Shares as they appear on the securities register of the Corporation on the Business Day next preceding the applicable Dividend Payment Date, dividends on such shares by cheques drawn on a Canadian chartered bank and payable at par at any branch of such bank in Canada unless any such holder requests, by notice in writing received by the Corporation or the Trust Company no less than seven (7) Business Days prior to a Dividend Payment Date, to receive payment of all such dividends by wire transfer, and provides in such notice an account number at a specified branch in Canada of a Canadian chartered bank to which the Corporation may cause such dividends to be wire transferred. In such a case, the Corporation shall instruct its bankers, or cause instructions to be given to a Canadian chartered bank, to wire transfer the amount of all such dividends to the account designated by each such holder in his notice to the Corporation or the Trust Company. Any such notification by a registered holder shall remain in effect until such registered holder ceases to be a registered holder or until cancelled or superseded by subsequent notice in writing received by the Corporation or the Trust Company no less than seven (7) Business Days prior to a Dividend Payment Date.

The delivery or mailing of such cheques or the receipt of a confirmation from a Canadian chartered bank that such bank has carried out instructions with respect to the wire transfer of the amount of any such dividend, by the Corporation or the Trust Company, shall be a full and complete discharge of the Corporation's obligation to pay the dividends unless, in the case of payment by cheque, the cheque is not honoured when presented for payment.

Dividends which are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable may be reclaimed and used by the Corporation for its own purposes.

If on any Dividend Payment Date, the dividend payable on such date is not paid in full on all the Series K Preferred Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates determined by Board of Directors of the Corporation on which the Corporation shall have sufficient moneys or property properly applicable to the payment of the same. The holders of Series K Preferred Shares shall not be entitled to any dividends other than or in excess of the cumulative preferential cash dividends herein provided for.

(c) In the event the Corporation exercises its option to redeem any of the Series K Preferred Shares pursuant to Article 3 of this Part, the Board of Directors of the Corporation may declare (i) on all Series K Preferred Shares out of the monies properly applicable to the payment of dividends, a dividend in an amount per share equal to all accrued and unpaid dividends on each such share calculated (in accordance with Article 1(d) of this Part) to the Redemption Date (as defined in Article 3 of this Part) to be paid on such Redemption Date or on such other date as may be determined in accordance with Article 3 of this Part, and (ii) on the Series K Preferred Shares which are not to be redeemed as a result of the Corporation exercising its option to redeem any of the Series K Preferred Shares pursuant to Article 3 of this Part, out of the monies properly applicable to the payment of dividends, a dividend in an amount per share equal to all accrued and unpaid dividends on each such share calculated (in accordance with Article 1(d) of this Part) from and including the Redemption Date to but excluding the next succeeding Dividend Payment Date, to be paid on such next succeeding Dividend Payment Date. In such event, the provisions of Article 1(b) and Article 3 of this Part, to the extent applicable, shall apply mutatis mutandis to the payment of any such dividend unless otherwise inconsistent.

(d) The amount of the dividend payable on each outstanding Series K Preferred Share:

(i) on September 18, 1986 shall be the amount (rounded to the nearest cent) equal to the product of (1) \$500,000, (2) the greater of (A) 4.949% and (B) 60.178% of Bankers' Acceptance Rate on September 15, 1986 determined in accordance with the provisions set out in Article 1(d) of Part II, mutatis mutandis, and (3) the number of days from and including the original date of issue to but excluding September 18, 1986, all divided by 365; and

(ii) on any subsequent Dividend Payment Date shall be the amount (rounded to the nearest cent) equal to the product of (1) \$500,000, (2) the Dividend Rate for the applicable Dividend Period, and (3) the number of days in such Dividend Period, all divided by 365.

Subject to the foregoing, for purposes of calculating an amount measured by reference to accrued and unpaid dividends,

(i) the amount of any accrued and unpaid dividend in respect of any Series K Preferred Shares from the next preceding Dividend Payment Date to any particular date shall be the amount (rounded to the nearest cent) equal to the product of (1) \$500,000, (2) the Dividend Rate for the applicable Dividend Period had such Dividend Period not been interrupted by a particular date, and (3) the number of days from and including the next preceding Dividend Payment Date to but excluding such particular date, all divided by 365; and

(ii) the amount of any accrued and unpaid dividend in respect of any Series K Preferred Shares from the Redemption Date to the next succeeding Dividend Payment Date shall be the amount (rounded to the nearest cent) equal to the product of (1) \$500,000, (2) the Dividend Rate for what would otherwise have been the applicable Dividend Period had the Cor-

poration not exercised its option to redeem the Series K Preferred Shares pursuant to Article 3 of this Part, and (3) the number of days from and including the Redemption Date to but excluding the next succeeding Dividend Payment Date, all divided by 365.

2. Information and Voting Rights

The holders of the Series K Preferred Shares shall be entitled to receive all financial statements and other information sent by the Corporation to the holders of its Common Shares but they shall not, as such, except as expressly provided herein, have the right to receive notice of, or to attend or to vote at any meetings of shareholders of the Corporation unless the Corporation shall have failed to pay in the aggregate twenty-four dividends on the Series K Preferred Shares, whether consecutive or not, in which case, and so long thereafter as any dividends on the Series K Preferred Shares continue to be in arrears, the holders of the Series K Preferred Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation other than any meetings of the holders of any other class or series of shares of the Corporation held separately as a class or series (other than the Class AAA Preference Shares or Series K Preferred Shares), but shall have no vote thereat, and shall be entitled, voting separately as a class together with all other holders of Series G, J, K, M and N Preferred Shares having such right, to elect two members of the board of directors of the Corporation and for such purpose the holders of the Series K Preferred Shares shall have one vote for each Series K Preferred Share held.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of all persons who may be directors of the Corporation at any time when the right to elect directors shall accrue to the holders of the Series K Preferred Shares as provided in this Article 2 of this Part, or who may be appointed as directors after such right shall have accrued and before a meeting of shareholders shall have been held, shall terminate upon the election of new directors at the next annual meeting of shareholders or at a general meeting of shareholders which may be held for the purpose of electing directors at any time after the accrual of such right to elect directors upon not less than 21 days' notice. Any such general meeting shall be called by the Secretary of the Corporation upon the written request of the holders of at least 10% of the outstanding Series K Preferred Shares and in default of the calling of such general meeting by the Secretary within 5 days after the making of such request it may be called by any holder of Series K Preferred Shares.

Any vacancy occurring among members of the board of directors elected to represent the holders of Series G, J, K, M and N Preferred Shares in accordance with the foregoing provisions of this Article 2 of this Part may be filled by the board of directors with the consent and approval of the remaining director elected to represent the holders of Series G, J, K, M and N Preferred Shares but if there be no such remaining director the board of directors may elect two holders of Series G, J, K, M and N Preferred Shares to fill the vacancy or vacancies. Whether or not such vacancies are so filled by the board of directors, the holders of at least 10% of the outstanding Series K Preferred Shares shall have the right to require the Secretary of the Corporation to call a meeting of the holders of Series G, J, K, M and N Preferred Shares for the purpose of filling the vacancies or replacing all or any of the persons filling such vacancies who have been appointed by the directors when there is no director in office who has been elected to represent the holders of Series G, J, K, M and N Preferred Shares and the provisions set forth in the immediately preceding paragraph shall apply in respect of the calling of such meeting.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of the directors elected by the holders of Series G, J, K, M and N Preferred Shares shall terminate forthwith when all arrears of dividends have been paid on the Series G, J, K, M and N Preferred Shares then outstanding and the vacancies thereby created may be filled by the remaining directors of the Corporation.

3. Redemption at the Option of the Corporation

(a) Subject to Article 5 of this Part and to applicable law, the Corporation may, at its option, redeem in whole, or from time to time in part, the Series K Preferred Shares on the Business Day next preceding any Auction Date (the "Redemption Date") at a redemption price of \$500,000 per share, provided that the Corporation shall not redeem any Series K Preferred Shares unless the board of directors of the Corporation shall have declared with respect to all Series K Preferred Shares, out of the monies properly applicable to the payment of dividends, a dividend in an amount per share equal to all accrued and unpaid dividends on each such share to the Redemption Date (such \$500,000 redemption price plus such per share dividend being herein referred to together as the "Redemption Price").

(b) In case a part only of the Series K Preferred Shares is at any time to be redeemed, the number of shares so to be redeemed shall be determined by the board of directors of the Corporation and such shares shall be redeemed pro rata with adjustments at the discretion of the Corporation to avoid redemption of fractional shares.

4. Manner of Redemption

In the case of any redemption of Series K Preferred Shares pursuant to Article 3 of this Part, the Corporation shall, at least 10 days before the date specified for redemption, give notice in writing to each person who at the date of the giving of such notice is the registered holder of Series K Preferred Shares to be redeemed, of the intention of the Corporation to redeem such Series K Preferred Shares. Any such notice shall be validly and effectively given on the date it is delivered to the holder of Series K Preferred Shares for whom it is intended or is sent by prepaid first class mail addressed to such holder at his address as it appears on the books of the Corporation, or in the event of the address of such holder not so appearing, then to the address of such holder last known to the Corporation, provided, however, that the accidental failure or omission to give such notice as aforesaid to one or more holders shall not affect the validity of the redemption, but upon the failure or omission being discovered, notice shall be given forthwith to such holder or holders and shall have the same force and effect as if given in due time. Such notice shall set out the Redemption Date, the Redemption Price and, unless

all the Series K Preferred Shares held by the holder to whom it is addressed are to be redeemed, the number of Series K Preferred Shares so held which are to be redeemed. On and after the Redemption Date, the Corporation shall pay or cause to be paid to, or to the order of, the holders of the Series K Preferred Shares so called for redemption the Redemption Price therefor on presentation and delivery, at the registered office of the Corporation or at such other place or places within Canada designated in such notice, of the certificate or certificates representing the Series K Preferred Shares so called for redemption. Payment of the Redemption Price may be made by cheque of the Corporation or its paying agent unless any holder of Series K Preferred Shares being redeemed has requested pursuant to Article 1(b) of this Part to receive dividends by wire transfer in which case the Corporation shall instruct its bankers, or cause instructions to be given to a Canadian chartered bank, to wire transfer the amount of the Redemption Price to the account designated by each such holder in his notice to the Corporation or the Trust Company. Such payment or the receipt of a confirmation from a Canadian chartered bank that such bank has carried out instructions with respect to the wire transfer of the amount of such Redemption Price, by the Corporation or the Trust Company, shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series K Preferred Shares so called for redemption unless, in the case of payment by cheque, the cheque is not honoured when presented for payment. From and after the Redemption Date, the holders of Series K Preferred Shares called for redemption shall not be entitled to exercise any of the rights of holders of Series K Preferred Shares in respect of such shares except the right to receive the Redemption Price therefor, provided that if payment of such Redemption Price is not duly made by or on behalf of the Corporation in accordance with the provisions hereof, then the rights of such holders shall remain unaffected. If part only of the Series K Preferred Shares represented by any certificate shall be redeemed, a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

The Corporation shall have the right, at any time after giving notice of its intention to redeem any Series K Preferred Shares, to deposit the aggregate Redemption Price of the Series K Preferred Shares so called for redemption or of such of the Series K Preferred Shares represented by certificates as have not at the date of such deposit been delivered by the holders thereof in connection with such redemption, in a special account in any chartered bank or any trust company in Canada (including any affiliate of the Corporation) to be paid without interest to or to the order of the respective holders of the Series K Preferred Shares called for redemption, upon presentation and delivery to such bank or trust company of the certificates representing such Series K Preferred Shares. Upon such deposit being made, the rights of the holders of the Series K Preferred Shares in respect whereof such deposit shall have been made shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited upon presentation and delivery of the certificates representing the Series K Preferred Shares held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. Redemption moneys in respect of any Redemption Date held on deposit to a special account for a period of three years from the applicable Redemption Date may be returned to the Corporation. Redemption moneys which remain unclaimed (including moneys returned to the Corporation from a special account after three years) for a period of six years from the Redemption Date may be reclaimed and used by the Corporation for its own purposes.

Series K Preferred Shares which have been redeemed by the Corporation shall be cancelled.

5. Restrictions on Dividends, Retirement and Issue of Shares

As long as any Series K Preferred Shares are outstanding, the Corporation shall not, without prior approval of the holders of such outstanding Series K Preferred Shares given in the manner hereinafter specified:

(a) declare or pay or set apart for payment any dividends on the Common Shares or on shares of any other class of the Corporation ranking as to dividends junior to the Series K Preferred Shares (other than stock dividends in shares of the Corporation ranking as to capital and dividends junior to the Series K Preferred Shares); or

(b) except out of the net cash proceeds of a substantially concurrent issue of shares ranking as to capital and dividends junior to the Series K Preferred Shares, redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of the Common Shares or shares of any other class of the Corporation ranking as to capital junior to the Series K Preferred Shares; or

(c) redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of less than all of the Series K Preferred Shares; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of any shares of any other class or series of the Corporation ranking as to capital *pari passu* with the Series K Preferred Shares; or

(e) issue any additional Class AAA Preference Shares (other than pursuant to the exercise of existing rights to convert outstanding shares of the Corporation into Class AAA Preference Shares of an existing series) or any shares ranking as to dividends or capital prior to or *pari passu* with the Class AAA Preference Shares; unless at the date of such declaration, payment, setting apart for payment, redemption, call for redemption or purchase or reduction or return of capital, as the case may be, all accrued and unpaid cumulative dividends up to and including the dividend payable on the immediately preceding Dividend Payment Date, shall have been declared and paid or set apart for payment on the Series K Preferred Shares and any accrued and unpaid cumulative dividends which have become payable and any declared and unpaid non-cumulative dividends shall have been paid or set apart for payment on all outstanding Class AAA Preference Shares and all other shares ranking as to dividends prior to or *pari passu* with the Series K Preferred Shares.

6. Liquidation, Dissolution and Winding-Up

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholder for the purpose of winding up its affairs, whether voluntary or involuntary, the holders of the Series K Preferred Shares shall be entitled to be paid and to receive \$500,000 per share plus an amount equal to all accrued and unpaid dividends thereon to but excluding the date of payment, before any amount shall be paid or any assets of the Corporation shall be distributed to the holders of the Common Shares or of shares of any other class of the Corporation ranking as to capital junior to the Series K Preferred Shares. Upon payment to the holders of the Series K Preferred Shares of the amount so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

7. Interpretation

In the event that any date on or by which any action is required to be taken by the Corporation hereunder is not a Business Day, then such action shall be required to be taken on or by the next succeeding day that is a Business Day.

In the event of the non-receipt of a cheque by the holder of Series K Preferred Shares entitled to such cheque, or the loss or destruction thereof, the Corporation, upon being furnished with reasonable evidence of such non-receipt, loss or destruction and indemnity reasonably satisfactory to the Corporation, shall issue to such holder a replacement cheque for the amount of such cheque.

8. Mail Service Disruption

If the directors of the Corporation determine that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder, or is required to send any cheque or any share certificate to the holder of any Series K Preferred Share, whether in connection with the redemption of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by means of telex, telecopier or telegraph or by means of publication once in each of two successive weeks in one daily English language newspaper of general circulation published in each of the Provinces of Canada and once in a daily French language newspaper of general circulation published in Montreal. Notice given by telex, telecopier or telegraph shall be deemed to have been given on the day on which it is sent and notice given by publication shall be deemed to have been given on the date on which the first publication has taken place in the last of the Provinces of Canada;

(b) fulfill the requirement to send such cheque or such share certificate by arranging for the delivery thereof to such holder by the Transfer Agent at its principal office in Toronto and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the directors of the Corporation determine that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by mail as herein provided. In the event that the Corporation is required to mail such share certificate, such mailing shall be made by prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such certificate.

9. Amendment

The provisions contained in Articles 1 to 10 inclusive (including this Article) of this Part and in Part II or any of them may be deleted, varied, modified, amended or amplified by Articles of Amendment but only with the prior approval of the holders of the Series K Preferred Shares given in accordance with Article 10 of this Part, in addition to any vote, authorization, confirmation or approval required by the Act.

10. Approval of Holders of Series K Preferred Shares

The approval of the holders of Series K Preferred Shares required as to any and all matters referred to herein (in addition to or as distinct from any vote, authorization, confirmation or approval required by the Canada Business Corporations Act and other laws governing the Corporation as now existing or hereafter amended) may be given by an instrument or instruments in writing signed by the holders of all of the issued and outstanding Series K Preferred Shares or by a resolution passed by at least 66 2/3% of the votes cast at a meeting of the holders of the Series K Preferred Shares duly called for that purpose and held in accordance with the provisions of clause 4 of the provisions attaching to the Class AAA Preference Shares as a class, mutatis mutandis, with Series K Preferred Shares having one vote for such purposes for each Series K Preferred Share held.

PART II

All terms used in Part II of this Exhibit which are defined in Part I of this Exhibit have the meaning in Part II of this Exhibit ascribed to them in Part I of this Exhibit.

1. Certain Definitions

In this Exhibit:

- (a) "Auction" means the periodic operation of the procedures set forth in this Part;
- (b) "Auction Date" means the Business Day next preceding a Dividend Payment Date;
- (c) "Available Shares" has the meaning specified in paragraph (i) of Article 4(a) of this Part;
- (d) "Bankers' Acceptance Rate" means with respect to any Dividend Period (other than the initial Dividend Period), the rate per annum equal to: (A) the simple average of each rate per annum which is equal to the simple average of the bid and ask rates of the yields to maturity quoted by each of Dominion Securities Pitfield Limited (or any successor) and McLeod

Young Weir Limited (or any successor) (rounded upward to the nearest one thousandth of one percent), as at 10:00 a.m., Toronto time, on the Auction Date next preceding such Dividend Period, on 30-day bankers' acceptance accepted by such of the Bank of Montreal, The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, The Royal Bank of Canada and The Bank of Nova Scotia as are accepting 30-day bankers' acceptances on such Auction Date; (B) in the event that one of Dominion Securities Pitfield Limited (or any successor) and McLeod Young Weir Limited (or any successor) is unable or does not for any reason quote the bid and ask rates per annum referred to in (A) above, as at 10:00 a.m., Toronto time, on such Auction Date, the simple average of the bid and ask rates per annum referred to in (A) above quoted by the other; or (C) in the event that both Dominion Securities Pitfield Limited (or any successor) and McLeod Young Weir Limited (or any successor) are unable to or do not for any reason quote rates, as at 10:00 a.m., Toronto time, on such Auction Date (including without limitation, where none of the Bank of Montreal, The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, The Royal Bank of Canada or The Bank of Nova Scotia is accepting 30-day bankers' acceptances on such Auction Date) for the purpose of determining the Bankers' Acceptance Rate in accordance with (A) or (B) above, the simple average of each rate per annum which is equal to the simple average of the bid and ask rates of the yields to maturity quoted by each of Dominion Securities Pitfield Limited (or any successor) and McLeod Young Weir Limited (or any successor) (rounded upward to the nearest one thousandth of one percent), as at 10:00 a.m., Toronto time, on such Auction Date, on 91-day Government of Canada Treasury Bills maturing 30 days from such Auction Date plus 0.20%;

(e) "Bid" and "Bids" have the respective meanings specified in Article 2(a) of this Part;

(f) "Bidder" and "Bidders" have the respective meanings specified in Article 2(a) of this Part;

(g) "Business Day" means a day on which The Toronto Stock Exchange or any successor stock exchange and the Trust Company are open for business;

(h) "Current Dividend Rate" is the rate per annum which the Trust Company advises the Corporation has been determined in accordance with Article 4(b) of this Part;

(i) "Dealer" means any registered investment dealer or other entity permitted by law to perform the functions required of a Dealer in this Part that has entered into a Dealer Agreement with the Trust Company that remains effective;

(j) "Dealer Agreement" means an agreement between the Trust Company and a Dealer pursuant to which the Dealer agrees to participate in Auctions in compliance with the procedures set forth in this Part;

(k) "Existing Holder" means a person who has signed a Purchaser's Letter, has delivered or caused to be delivered such Purchaser's Letter to the Trust Company and is registered in the ledger maintained by the Trust Company in respect of such persons;

(l) "held by" with respect to any Series K Preferred Shares registered in the name of the Trust Company as permitted by the Trust Company Agreement includes such shares beneficially owned by an Existing Holder but does not include, with respect to such shares, the Trust Company;

(m) "Hold Order" and "Hold Orders" have the respective meanings specified in Article 2(a) of this Part;

(n) "Maximum Rate" with respect to any Dividend Period means the Bankers' Acceptance Rate plus 0.40%;

(o) "Order" and "Orders" have the respective meanings specified in Article 2(a) of this Part;

(p) "Potential Holder" means any person, including any Existing Holder, (i) who has executed a Purchaser's Letter and delivered or caused to be delivered such Purchaser's Letter to the Trust Company and (ii) who may be interested in acquiring Series K Preferred Shares (or, in the case of an Existing Holder, additional Series K Preferred Shares);

(q) "Purchaser's Letter" means a letter addressed to the Trust Company and a Dealer in which a person agrees, among other things, to be bound by the procedures set forth in this Part in the event such person participates in an Auction;

(r) "Remaining Shares" has the meaning specified in paragraph (iv) of Article 5(a) of this Part;

(s) "Sell Order" and "Sell Orders" have the respective meanings specified in Article 2(a) of this Part;

(t) "Submission Deadline" means 11:00 a.m., Toronto time, on any Auction Date or such later time on any Auction Date, as specified by the Trust Company from time to time, by which Dealers are required to submit Orders to the Trust Company;

(u) "Submitted Bid" and "Submitted Bids" have the respective meanings specified in Article 4(a) of this Part;

(v) "Submitted Hold Order" and "Submitted Hold Orders" have the respective meanings specified in Article 4(a) of this Part;

(w) "Submitted Order" and "Submitted Orders" have the respective meanings specified in Article 4(a) of this Part;

(x) "Submitted Sell Order" and "Submitted Sell Orders" have the respective meanings specified in Article 4(a) of this Part;

(y) "Sufficient Clearing Bids" has the meaning specified in Article 4(a) of this Part;

(z) "Trust Company" means Royal Trust Corporation of Canada or any successor trust company or other person entering into a Trust Company Agreement with the Corporation in respect of the Series K Preferred Shares;

(aa) "Trust Company Agreement" means an agreement made between the Trust Company and the Corporation which provides, among other things, that the Trust Company will follow the procedures set forth in this Part for the purposes of determining the Current Dividend Rate for the Series K Preferred Shares so long as the Current Dividend Rate is to be based on the results of an Auction; and

(bb) “Winning Bid Rate” is the rate per annum determined in accordance with Article 4(a) of this Part.

2. Orders by Existing Holders and Potential Holders

(a) Prior to the Submission Deadline on each Auction Date:

(i) each Existing Holder may submit to a Dealer information as to the number of Series K Preferred Shares, if any, held by such Existing Holder which such Existing Holder:

(A) desires to continue to hold without regard to the Current Dividend Rate for the next succeeding Dividend Period; and/or

(B) desires to continue to hold, provided that the Current Dividend Rate for the next succeeding Dividend Period shall not be less than the rate per annum specified by such Existing Holder; and/or

(C) offers to sell without regard to the Current Dividend Rate for the next succeeding Dividend Period;

and

(ii) Potential Holders may submit to a Dealer offers to purchase Series K Preferred Shares, provided that the Current Dividend Rate for the next succeeding Dividend Period shall not be less than the rate per annum specified by such Potential Holder.

The communication to a Dealer of the information referred to in this Article 2(a) is an “Order” and, collectively, are “Orders”, and each Existing Holder and each Potential Holder placing an Order is a “Bidder” and, collectively, are “Bidders”; an Order containing the information referred to in subparagraph (i)(A) of this Article 2(a) is a “Hold Order” and, collectively, are “Hold Orders”; an Order containing the information referred to in subparagraph (i)(B) or paragraph (ii) of this Article 2(a) is a “Bid” and, collectively, are “Bids”; and an Order containing the information referred to in subparagraph (i)(C) of this Article 2(a) is a “Sell Order” and, collectively, are “Sell Orders.”

(b) (i) A Bid by an Existing Holder shall constitute an irrevocable offer to sell:

(A) the number of Series K Preferred Shares specified in such Bid if the Winning Bid Rate determined on such Auction Date is less than the rate specified in such Bid; or

(B) the specified number of Series K Preferred Shares or a lesser number to be determined as set forth in paragraph (iv) of Article 5(a) of this Part if the Winning Bid Rate determined on such Auction Date is equal to the rate specified in such Bid; or

(C) the number of Series K Preferred Shares specified in such Bid if the rate specified in such Bid is higher than the Maximum Rate and Sufficient Clearing Bids do exist; or

(D) a lesser number of Series K Preferred Shares to be determined as set forth in paragraph (iii) of Article 5(b) of this Part if the rate specified in such Bid is higher than the Maximum Rate and Sufficient Clearing Bids do not exist.

(ii) A Sell Order by an Existing Holder shall constitute an irrevocable offer to sell:

(A) the number of Series K Preferred Shares specified in such Sell Order; or

(B) a lesser number of Series K Preferred Shares to be determined as set forth in paragraph (iii) of Article 5(b) of this Part if Sufficient Clearing Bids do not exist.

(iii) A Bid by a Potential Holder shall constitute an irrevocable offer to purchase:

(A) the number of Series K Preferred Shares specified in such Bid if the Winning Bid Rate determined on the applicable Auction Date is higher than the rate specified in such Bid; or

(B) the specified number or a lesser number of Series K Preferred Shares to be determined as set forth in paragraph (v) of Article 5(a) of this Part if the Winning Bid Rate determined on such Auction Date is equal to the rate specified in such Bid; or

(C) the specified number of Series K Preferred Shares if the rate specified in such Bid is equal to or lower than the Maximum Rate and Sufficient Clearing Bids do not exist.

3. Submission of Orders by Dealers to the Trust Company

(a) Each Dealer shall submit to the Trust Company in writing in accordance with its Dealer Agreement prior to the Submission Deadline on each Auction Date all Orders obtained by such Dealer and specifying with respect to each Order:

(i) the name of the Bidder placing such Order;

(ii) the aggregate number of Series K Preferred Shares that are the subject of the Order;

(iii) to the extent that the Bidder is an Existing Holder, the number of Series K Preferred Shares, if any, subject to any:

(A) Hold Order placed by such Existing Holder;

(B) Bid placed by such Existing Holder and the rate specified in such Bid; and/or

(C) Sell Order placed by such Existing Holder; and

(iv) to the extent the Bidder is a Potential Holder, the rate specified in such Bid of such Potential Holder.

(b) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Trust Company shall round such rate up to the next highest one thousandth of one percent.

(c) If for any reason an Order or Orders covering in the aggregate all the Series K Preferred Shares held by any Existing Holder is not submitted to the Trust Company prior to the Submission Deadline, the Trust Company shall deem a Hold

Order to have been submitted on behalf of such Existing Holder covering the number of Series K Preferred Shares held by such Existing Holder and not subject to Orders submitted to the Trust Company.

(d) If one or more Orders covering in the aggregate more than the number of Series K Preferred Shares held by any Existing Holder are submitted to the Trust Company, such Orders shall be considered valid as follows and in the following order of priority:

(i) all Hold Orders shall be considered valid, but only up to and including, in the aggregate, the number of Series K Preferred Shares held by such existing Holder, and, solely for purposes of allocating compensation among the Dealers submitting Hold Orders, if the number of Series K Preferred Shares subject to such Hold Orders exceeds the number of Series K Preferred Shares held by such Existing Holder, the number of Series K Preferred Shares subject to each such Hold Order shall be reduced pro rata to cover the number of Series K Preferred Shares held by such Existing Holder;

(ii) (A) any Bid shall be considered valid up to and including the excess of the number of Series K Preferred Shares held by such Existing Holder over the number of Series K Preferred Shares subject to any Hold Order referred to in paragraph (i) of this Article 3(d), (B) subject to subparagraph (A) hereof, if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the number of Series K Preferred Shares subject to such Bids is greater than such excess, such Bids shall be considered valid up to the amount of such excess, and, solely for purposes of allocating compensation among the Dealers submitting Bids with the same rate, the number of Series K Preferred Shares subject to each Bid with the same rate shall be reduced pro rata to cover the number of Series K Preferred Shares equal to such excess, (C) subject to subparagraph (A) hereof, if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid in the ascending order of their respective rates up to the amount of such excess, and (D) in any event, the number, if any, of such Series K Preferred Shares subject to Bids not valid under this paragraph (ii) shall be treated as the subject of a Bid by a Potential Holder; and

(iii) all Sell Orders shall be considered valid but only up to and including in the aggregate the excess of the number of Series K Preferred Shares held by such Existing Holder over the sum of the Series K Preferred Shares subject to Hold Orders referred to in paragraph (i) of this Article 3(d) and valid Bids by Existing Holders referred to in paragraph (ii) of this Article 3(d).

(e) If more than one Bid is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate therein specified.

4. Determination of Sufficient Clearing Bids, Winning Bid Rate and Current Dividend Rate

(a) On the Submission Deadline on each Auction Date, the Trust Company shall assemble all Orders submitted or deemed submitted to it by the Dealers (each such Order as submitted or deemed submitted by a Dealer being individually a “Submitted Hold Order”, a “Submitted Bid” or a “Submitted Sell Order”, as the case may be, or a “Submitted Order” and collectively “Submitted Hold Orders”, “Submitted Bids” or “Submitted Sell Orders”, as the case may be, or “Submitted Orders”) and shall determine:

(i) the excess of (a) the total number of Series K Preferred Shares held by Existing Holders issued and outstanding over (b) the number of Series K Preferred Shares that are the subject of Submitted Hold Orders (such excess being the “Available Shares”);

(ii) from the Submitted Orders, whether:

(A) the number of Series K Preferred Shares that are the subject of Submitted Bids by Potential Holders specifying one or more rates equal to or lower than the Maximum Rate;

exceeds or is equal to the sum of:

(B) (I) the number of Series K Preferred Shares that are the subject of Submitted Bids by Existing Holders specifying one or more rates higher than the Maximum Rate; and

(II) the number of Series K Preferred Shares that are the subject of Submitted Sell Orders;

(if such excess or equality exists (other than because all of the Series K Preferred Shares are the subject of Submitted Hold Orders), then such Submitted Bids in subparagraph (A) hereof shall be “Sufficient Clearing Bids”); and

(iii) if Sufficient Clearing Bids exist, the lowest rate specified in the Submitted Bids which if the Trust Company accepted:

(A) (I) each Submitted Bid from Existing Holders specifying that lowest rate, and

(II) all other Submitted Bids from Existing Holders specifying lower rates, thus entitling those Existing Holders to continue to hold the Series K Preferred Shares that are the subject of those Submitted Bids; and

(B) (I) each Submitted Bid from Potential Holders specifying that lowest rate, and

(II) all other submitted Bids from Potential Holders specifying lower rates, thus entitling those Potential Holders to purchase the Series K Preferred Shares that are the subject of those Submitted Bids;

would result in such Existing Holders described in subparagraph (A) hereof continuing to hold an aggregate number of Series K Preferred Shares which, when added to the aggregate number of Series K Preferred Shares to be purchased by such Potential Holders described in subparagraph (B) hereof, would equal not less than the number of Available Shares. This lowest rate is the “Winning Bid Rate.”

(b) Promptly after the Trust Company has made the determinations pursuant to Article 4(a) of this Part, the Trust Company shall advise the Corporation of the Bankers' Acceptance Rate and, based on such determinations, of the dividend rate applicable to the Series K Preferred Shares for the next succeeding Dividend Period (the "Current Dividend Rate") as follows:

(i) if Sufficient Clearing Bids exist, that the Current Dividend Rate for the next succeeding Dividend Period shall be equal to the Winning Bid Rate so determined;

(ii) if Sufficient Clearing Bids do not exist (other than because all of the Series K Preferred Shares are the subject of Submitted Hold Orders), that the Current Dividend Rate for the next succeeding Dividend Period shall be equal to the Maximum Rate; or

(iii) if all of the Series K Preferred Shares are the subject of Submitted Hold Orders, that the Current Dividend Rate for the next succeeding Dividend Period shall be equal to 50% of the Bankers' Acceptance Rate.

5. Acceptance and Rejection of Submitted Bids and Submitted Sell Orders and Allocation of Shares

Based on the determinations made pursuant to Article 4(a) of this Part, the Submitted Bids and Submitted Sell Orders shall be accepted or rejected and the Trust Company shall take such other action as set forth below:

(a) If Sufficient Clearing Bids have been made, subject to the provisions of Articles 5(c) and 5(d) of this Part, Submitted Bids and Submitted Sell Orders shall be accepted and rejected in the following order of priority and all other Submitted Bids shall be rejected:

(i) (A) the Submitted Sell Order of each Existing Holder shall be accepted and (B) the Submitted Bid of each Existing Holder specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Holder to sell the Series K Preferred Shares that are the subject of such Submitted Sell Order and such Submitted Bid;

(ii) the Submitted Bid of each Existing Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus entitling each such Existing Holder to continue to hold the Series K Preferred Shares that are the subject of such Submitted Bid;

(iii) the Submitted Bid of each Potential Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Holder to purchase the Series K Preferred Shares that are the subject of such Submitted Bid;

(iv) the Submitted Bid of each Existing Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus entitling each such Existing Holder to continue to hold the Series K Preferred Shares that are the subject of such Submitted Bid, unless the number of Series K Preferred Shares subject to all such Submitted Bids is greater than the total number of Available Shares minus the number of Series K Preferred Shares subject to Submitted Bids described in paragraphs (ii) and (iii) of this Article 5(a) (the "Remaining Shares"). In this event, the Submitted Bids of each such Existing Holder described in this paragraph (iv) shall be rejected and each such Existing Holder shall be required to sell Series K Preferred Shares, but only in an amount equal to the difference between (A) the number of Series K Preferred Shares then held by such Existing Holder subject to such Submitted Bid and (B) the number of Series K Preferred Shares obtained by multiplying (x) the number of Remaining Shares by (y) a fraction, the numerator of which shall be the number of Series K Preferred Share held by such Existing Holder subject to such Submitted Bid, and the denominator of which shall be the sum of the number of Series K Preferred Shares subject to such Submitted Bids made by all such Existing Holders who specified a rate equal to the Winning Bid Rate; and

(v) the Submitted Bid of each Potential Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted but only in an amount equal to the number of Series K Preferred Shares obtained by multiplying (A) the difference between the total number of Available Shares and the number of Series K Preferred Shares subject to Submitted Bids described in paragraphs (ii), (iii) and (iv) of this Article 5(a) by (B) a fraction, the numerator of which shall be the number of Series K Preferred Shares subject to such Submitted Bid and the denominator of which shall be the sum of the number of Series K Preferred Shares subject to such Submitted Bids made by all Potential Holders who specified rates equal to the Winning Bid Rate;

(b) If Sufficient Clearing Bids have not been made (other than because all of the Series K Preferred Shares are subject to Submitted Hold Orders), subject to the provisions of Articles 5(c) and 5(d) of this Part, Submitted Bids and Submitted Sell Orders shall be accepted or rejected in the following order of priority and all other Submitted Bids shall be rejected:

(i) the Submitted Bid of each Existing Holder specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus entitling that Existing Holder to continue to hold the Series K Preferred Shares that are the subject of such Submitted Bid;

(ii) the Submitted Bid of each Potential Holder specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus requiring such Potential Holder to purchase the Series K Preferred Shares that are the subject of such Submitted Bid; and

(iii) the Submitted Bid of each Existing Holder specifying any rate that is higher than the Maximum Rate shall be rejected and the Submitted Sell Order of each Existing Holder shall be accepted, in both cases only in an amount equal to the difference between (A) the number of Series K Preferred Shares then held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and (B) the number of Series K Preferred Shares obtained by multiplying (x) the difference between the total number of Available Shares and the aggregate number of Series K Preferred Shares subject to Submitted

Bids described in paragraphs (i) and (ii) of this Article 5(b) by (y) a fraction, the numerator of which shall be the number of Series K Preferred Shares held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the number of Series K Preferred Shares subject to all such Submitted Bids and Submitted Sell Orders;

(c) If, as a result of the procedures described in Articles 5(a) or 5(b) of this Part, any Existing Holder would be entitled or required to sell, or any Potential Holder would be entitled or required to purchase, a fraction of a Series K Preferred Share on any Auction Date, the Trust Company shall, in such manner as it shall determine in its sole discretion, round up or down the number of Series K Preferred Shares to be purchased or sold by any Existing Holder or Potential Holder on such Auction Date so that the number of shares purchased or sold by each Existing Holder or Potential Holder on such Auction Date so that the number of shares purchased or sold by each Existing Holder or Potential Holder shall be whole Series K Preferred Shares;

(d) If, as a result of the procedures described in Article 5(a) of this Part, any Potential Holder would be entitled or required to purchase a fraction of a Series K Preferred Share on any Auction Date, the Trust Company shall, in such manner as it shall determine in its sole discretion, allocate shares for purchase among Potential Holders so that only whole Series K Preferred Shares are purchased on such Auction Date by any Potential Holder, even if such allocation results in one or more of such Potential Holders not purchasing Series K Preferred Shares on such Auction Date; and

(e) Based on the results of each Auction, the Trust Company shall determine to which Potential Holder or Potential Holders purchasing Series K Preferred Shares an Existing Holder or Existing Holders shall sell Series K Preferred Shares being sold by such Existing Holder or Existing Holders.

6. Miscellaneous

In the event that there is any inconsistency, ambiguity or uncertainty in the interpretation or application of the procedures set forth in this Part, the Board of Directors of the Corporation (or any person or persons designated by the Board of Directors) may, in such manner as they shall determine in their sole discretion, interpret such procedures in order to deal with any such inconsistency, ambiguity or uncertainty.

7. Headings of Sections

The headings of the various sections in this Part are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

Number and Designation of and Rights, Privileges, Restrictions and Conditions Attaching to the Class AAA Preference Shares, Series Y

26. Class AAA preference shares, Series Y. Brookfield Office Properties Inc. (the “Corporation”)

The twenty-fifth series of Class AAA Preference Shares shall consist of 2,847,711 Class AAA Preference Shares which shall be designated as Class AAA Preference Shares, Series Y which replace the “Cumulative Redeemable Preferred Shares Series M” of BPO Properties Ltd. (the Class AAA Preference Shares, Series Y shall hereinafter be referred to as the “Series M Preferred Shares”) and, in addition to the rights, privileges, restrictions and conditions attaching to the Class AAA Preference Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Dividends

1.1 The holders of the Series M Preferred Shares shall be entitled to receive as and when declared by the Board of Directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends as follows:

(a) an initial dividend (the “Initial Dividend”) in respect of the period from and including the date of initial issue of the Series M Preferred Shares to but excluding May 14, 1987 (the “Initial Dividend Period”), payable on May 14, 1987 (the “Initial Dividend Payment Date”) in an amount per Series M Preferred Share equal to the amount obtained (rounded to five decimal places) when

(i) \$25 multiplied by 7.84%

is multiplied by

(ii) the number of days in the Initial Dividend Period divided by 365;

and

(b) dividends payable quarterly (the “Quarterly Dividends”) on the 14th day of each of the months of February, May, August and November in each year (the “Dividend Payment Dates”) commencing with August 14, 1987 in respect of the period from and including the immediately preceding Dividend Payment Date to but excluding the next succeeding Dividend Payment Date in an amount per Series M Preferred Share calculated in accordance with clause 1.2 hereof.

Dividends shall accrue on a day-to-day basis.

1.2 The Quarterly Dividend to be paid per Series M Preferred Share on any Dividend Payment Date shall be the amount obtained when the Quarterly Dividend Rate is multiplied by \$25.00.

For the purpose of the calculation of Quarterly Dividends on the Series M Preferred Shares on any Dividend Payment Date:

(a) “Quarterly Dividend Rate” means

(i) 1.96%, in the case of dividends payable on or before November 14, 1990; and

(ii) one-quarter of seventy percent (70%) of the Average Prime Rate for the three calendar months ending on the last day of the calendar quarter prior to the month during which the Dividend Payment Date for which the determination is being made falls, in the case of dividends payable after November 14, 1990.

(b) “Banks” means The Toronto-Dominion Bank and Bank of Montreal collectively, and the term “Bank” means one of the Banks and, for the purposes of this definition, “Banks” shall include any bank with which one or more of such Banks may merge and any bank which may become a successor to the business of one of such Banks.

(c) “Daily Prime Rate” means, for either Bank, on any day, the annual prime commercial lending rate of interest established and announced as the reference rate of interest used by such Bank on such day to determine the rates of interest on Canadian dollar loans to customers in Canada and designated by such Bank as its prime rate.

(d) “Average Daily Prime Rate” means, for any day, the arithmetic average, rounded to the nearest one-one hundredth of one percent (0.01%), of the Daily Prime Rates of the Banks on such day; provided that, if on such day there shall be no Daily Prime Rate for one (but not both) of the Banks, the Average Daily Prime Rate for such day shall be the Daily Prime Rate of the other of such Banks and further provided that if on such day there shall be no Daily Prime Rate for either of the Banks, the Average Daily Prime Rate for such day shall be 1.50% above the average yield per annum on 91 day Government of Canada Treasury Bills as reported by the Bank of Canada for the weekly tender immediately preceding such day.

(e) “Average Prime Rate” means, for any period, the arithmetic average (rounded to the nearest one-one-hundredth of one percent (0.01%)) of the Average Daily Prime Rate for each day during such period.

In any case where dividends are payable for a period (the “Dividend Payment Period”) that ends on a date other than the day immediately preceding the Initial Dividend Payment Date or a Dividend Payment Date, dividends shall be paid in the amount per Series M Preferred Share obtained when

(i) \$25.00 multiplied by seventy percent (70%) of the Average Prime Rate for the period of ninety days ending on a date which is 45 days before the end of such Dividend Payment Period,

is multiplied by

(ii) the number of days in such Dividend Payment Period divided by 365.

1.3 Payment of any dividends may be made by cheque of the Corporation or its paying agent and such payment shall be a full and complete discharge of the Corporation’s obligation to pay the dividends unless the cheque is not honoured when presented for payment. Dividends which are represented by a cheque which has not been presented to the Corporation’s bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable may be reclaimed and used by the Corporation for its own purposes.

1.4 If on any Dividend Payment Date, the dividend payable on such date is not paid in full on all the Series M Preferred Shares then issued and outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates determined by Board of Directors of the Corporation on which the Corporation shall have sufficient moneys or property properly applicable to the payment of the same. The holders of Series M Preferred Shares shall not be entitled to any dividends other than or in excess of the cumulative preferential cash dividends herein provided for.

2. Information and Voting Rights

The holders of the Series M Preferred Shares shall be entitled to receive all financial statements and other information sent by the Corporation to the holders of its Common Shares but they shall not, as such, except as expressly provided herein, have the right to receive notice of, or to attend or to vote at any meetings of shareholders of the Corporation unless the Corporation shall have failed to pay in the aggregate eight Quarterly Dividends (which term, for the purposes of this clause 2, shall include the Initial Dividend) on the Series M Preferred Shares in which case, and so long thereafter as any dividends on the Series M Preferred Shares continue to be in arrears, the holders of the Series M Preferred Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation other than any meetings of the holders of any other class or series of shares of the Corporation held separately as a class or series but shall have no vote thereat, and shall be entitled, voting separately as a class together with all other holders of Series G, J, K, M and N Preferred Shares having such right, to elect two members of the Board of Directors of the Corporation and for such purpose the holders of the Series M Preferred Shares shall have one vote for each Series M Preferred Share held.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of all persons who may be directors of the Corporation at any time when the right to elect directors shall accrue to the holders of the Series M Preferred Shares as provided in this clause, or who may be appointed as directors after such right shall have accrued and before a meeting of shareholders shall have been held, shall terminate upon the election of new directors at the next annual meeting of shareholders or at a general meeting of shareholders which may be held for the purpose of electing directors at any time after the accrual of such right to elect directors upon not less than 21 days’ notice. Any such general meeting shall be called by the Secretary of the Corporation upon the written request of the holders of at least 10% of the outstanding

Series M Preferred Shares and in default of the calling of such general meeting by the Secretary within 5 days after the making of such request it may be called by any holder of Series M Preferred Shares.

Any vacancy occurring among members of the Board of Directors elected to represent the holders of Series G, J, K, M and N Preferred Shares in accordance with the foregoing provisions of this clause may be filled by the Board of Directors with the consent and approval of the remaining director elected to represent the holders of Series G, J, K, M and N Preferred Shares but if there be no such remaining director the Board of Directors may elect two holders of Series G, J, K, M and N Preferred Shares to fill the vacancy or vacancies. Whether or not such vacancies are so filled by the Board of Directors, the holders of at least 10% of the outstanding Series M Preferred Shares shall have the right to require the Secretary of the Corporation to call a meeting of the holders of Series G, J, K, M and N Preferred Shares for the purpose of filling the vacancies or replacing all or any of the persons filling such vacancies who have been appointed by the directors when there is no director in office who has been elected to represent the holders of Series G, J, K, M and N Preferred Shares and the provisions set forth in the immediately preceding paragraph shall apply in respect of the calling of such meeting.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of the directors elected by the holders of Series G, J, K, M and N Preferred Shares shall terminate forthwith when all arrears of dividends have been paid on the Series G, J, K, M and N Preferred Shares then outstanding and the vacancies thereby created may be filled by the remaining directors of the Corporation.

3. Purchase for Cancellation

Subject to the provisions of the Canada Business Corporations Act and other laws governing the Corporation, as now existing or hereafter amended, (such laws being hereinafter referred to as the "Act") and the articles of the Corporation, the Corporation may at any time or times purchase (if obtainable) the whole or any part of the outstanding Series M Preferred Shares either on the open market (including purchase through or from an investment dealer or firm holding membership on a recognized stock exchange) or by invitation for tenders to all the holders of record of Series M Preferred Shares outstanding or in any other manner, at the lowest price or prices at which, in the opinion of the directors of the Corporation, such shares are then obtainable but not exceeding \$25.00 per share together, in each case, with an amount equal to all accrued and unpaid dividends thereon up to the date of purchase which, for greater certainty, shall include dividends calculated in accordance with clause 1 during the period from and including the immediately preceding Dividend Payment Date (which term shall, for the purposes of this clause, include the Initial Dividend Payment Date) to but excluding the date of purchase, and the costs of purchase.

In the case of purchase of Series M Preferred Shares by tender, the Corporation shall give notice of its intention to invite tenders to all the holders of the Series M Preferred Shares by giving notice of such invitation to each holder of Series M Preferred Shares in accordance with the provisions from time to time of the by-laws of the Corporation respecting notice to shareholders. If upon any invitation for tenders under the provisions of this clause 3, the Corporation shall receive tenders of Series M Preferred Shares at the same price, which shares when added to any Series M Preferred Shares tendered at a lower price or prices aggregate a number greater than the number for which the Corporation is prepared to accept tenders, the Series M Preferred Shares so tendered at the same price which the Corporation determines to purchase shall be purchased as nearly as may be pro rata (disregarding fractions) in proportion to the total number of Series M Preferred Shares so tendered by each of the holders of Series M Preferred Shares who submitted tenders at such price. Any Series M Preferred Shares so purchased shall be cancelled and not reissued. If part only of the Series M Preferred Shares represented by any certificate shall be purchased, a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

4. Redemption at the Option of the Corporation

Series M Preferred Shares shall not be redeemable at the option of the Corporation prior to March 4, 1991. Subject to the provisions of the Act and the Articles of the Corporation, the Corporation may, upon giving notice as hereinafter provided, at any time on or after March 4, 1991, redeem the whole or from time to time any part of the then outstanding Series M Preferred Shares on payment for each share to be redeemed of a price of \$25.00 together, in each case, with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption, which, for greater certainty, shall include dividends calculated in accordance with clause 1 hereof during the period from and including the immediately preceding Dividend Payment Date to but excluding the date fixed for redemption, (the whole constituting and being herein referred to as the "Redemption Price"). If the Corporation desires to redeem only part of the Series M Preferred Shares, the Series M Preferred Shares to be redeemed shall be selected by lot in single shares or in units of 10 shares or less in such manner as the Board of Directors of the Corporation may determine or pro rata disregarding fractions.

Any Series M Preferred Shares which are so redeemed shall be cancelled and not reissued.

5. Manner of Redemption

In the case of any redemption of Series M Preferred Shares pursuant to clause 4 hereof, the Corporation shall, at least 30 days before the date specified for redemption, give notice in writing to each person who at the date of the giving of such notice is the registered holder of Series M Preferred Shares to be redeemed, of the intention of the Corporation to redeem such Series M Preferred Shares. Any such notice shall be validly and effectively given on the date it is delivered to the holder of Series M Preferred Shares for whom it is intended or is sent by prepaid first class mail addressed to such holder at his address as it appears on the books of the Corporation, or in the event of the address of such holder not so appearing, then to the address of such holder last known to the Corporation, provided however, that the accidental failure or omission

to give such notice as aforesaid to one or more holders shall not affect the validity of the redemption, but upon the failure or omission being discovered, notice shall be given forthwith to such holder or holders and shall have the same force and effect as if given in due time. Such notice shall set out the date (the "Redemption Date") on which the redemption is to take place, the Redemption Price and, unless all the Series M Preferred Shares held by the holder to whom it is addressed are to be redeemed, the number of Series M Preferred Shares so held which are to be redeemed. On and after the Redemption Date, the Corporation shall pay or cause to be paid to the holders of the Series M Preferred Shares so called for redemption the Redemption Price therefor on presentation and delivery, at the registered office of the Corporation or at such other place or places within Canada designated in such notice, of the certificate or certificates representing the Series M Preferred Shares so called for redemption. Payment of the Redemption Price shall be made by cheque of the Corporation or its paying agent and such payment shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series M Preferred Shares so called for redemption unless the cheque is not honoured when presented for payment. From and after the Redemption Date, the holders of Series M Preferred Shares called for redemption shall not be entitled to exercise any of the rights of holders of Series M Preferred Shares in respect of such shares except the right to receive the Redemption Price therefor, provided that if payment of such Redemption Price is not duly made by or on behalf of the Corporation in accordance with the provisions hereof, then the rights of such holders shall remain unaffected. If part only of the Series M Preferred Shares represented by any certificate shall be redeemed, a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

The Corporation shall have the right, at any time after giving notice of its intention to redeem any Series M Preferred Shares, to deposit the aggregate Redemption Price of the Series M Preferred Shares so called for redemption or of such of the Series M Preferred Shares represented by certificates as have not at the date of such deposit been delivered by the holders thereof in connection with such redemption, in a special account in any chartered bank or any trust company in Canada (including any affiliate of the Corporation) to be paid without interest to or to the order of the respective holders of the Series M Preferred Shares called for redemption, upon presentation and delivery to such bank or trust company of the certificates representing such Series M Preferred Shares. Upon such deposit being made or upon the Redemption Date, whichever is the later, the Series M Preferred Shares in respect whereof such deposit shall have been made, shall be and shall be deemed to be redeemed and the rights of the holders thereof after such deposit or the Redemption Date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited upon presentation and delivery of the certificates representing the Series M Preferred Shares held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. Redemption moneys in respect of any Redemption Date held on deposit to a special account for a period of three years from the applicable Redemption Date may be returned to the Corporation. Redemption moneys which remain unclaimed (including moneys returned to the Corporation from a special account after three years) for a period of six years from the Redemption Date may be reclaimed and used by the Corporation for its own purposes.

6. Restrictions on Dividends, Retirement and Issue of Shares

Subject to the provisions of the Act, as long as any Series M Preferred Shares are outstanding, the Corporation shall not, without prior approval of the holders of such outstanding Series M Preferred Shares given in the manner hereinafter specified:

(a) declare or pay or set apart for payment any dividends on the Common Shares or on shares of any other class of the Corporation ranking as to dividends junior to the Series M Preferred Shares (other than stock dividends in shares of the Corporation ranking as to capital and dividends junior to the Series M Preferred Shares); or

(b) except out of the net cash proceeds of a substantially concurrent issue of shares ranking as to capital and dividends junior to the Series M Preferred Shares redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of the Common Shares or shares of any other class of the Corporation ranking as to capital junior to the Series M Preferred Shares; or

(c) redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of less than all of the Series M Preferred Shares; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of any shares of any other class or series of the Corporation ranking as to capital *pari passu* with the Series M Preferred Shares; or

(e) issue any additional Class AAA preference Shares (other than pursuant to the exercise of existing rights to convert outstanding shares of the Corporation into Class AAA Preference Shares of an existing series) or any shares ranking as to dividends or capital prior to or *pari passu* with the Class AAA Preference Shares;

unless at the date of such declaration, payment, setting apart for payment, redemption, call for redemption or purchase or reduction or return of capital, as the case may be, all accrued and unpaid cumulative dividends up to and including the dividend payment for the last completed period for which such dividends shall be payable, shall have been declared and paid or set apart for payment on the Series M Preferred Shares and any accrued and unpaid cumulative dividends which have become payable and any declared and unpaid non-cumulative dividends shall have been paid or set apart for payment on all other shares ranking as to dividends prior to or *pari passu* with the Series M Preferred Shares.

7. Liquidation, Dissolution and Winding-Up

In the event of liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, the holders of the Series M Preferred Shares shall be entitled to be paid and to receive \$25.00 per share plus an amount equal to all accrued and unpaid dividends thereon up to the date of payment, which for greater certainty, shall include dividends calculated in accordance with clause 1 during the period from and including the immediately preceding Dividend Payment Date (which term shall, for the purposes of this clause, include the Initial Dividend Payment Date) to but excluding the date of payment before any amount shall be paid or any assets of the Corporation shall be distributed to the holders of the Common Shares or of shares of any other class of the Corporation ranking as to capital junior to the Series M Preferred Shares. Upon payment to the holders of the Series M Preferred Shares of the amount so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

8. Interpretation

In the event that any date on which any dividend on Series M Preferred Shares is payable by the Corporation, or on or by which any other action is required to be taken by the Corporation hereunder, is not a Business Day, then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a Business Day.

For the purposes of these share provisions, “Business Day” means a day other than a Saturday, a Sunday or any other day that is treated as a statutory holiday in the jurisdiction in which the Corporation’s registered office is located.

In the event, of the non-receipt of a cheque by the holder of Series M Preferred Shares entitled to such cheque, or the loss or destruction thereof, the Corporation, upon being furnished with reasonable evidence of such non receipt, loss or destruction and indemnity reasonably satisfactory to the Corporation, shall issue to such holder a replacement cheque for the amount of such cheque.

9. Mail Service Disruption

If the directors of the Corporation determine that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder, or is required to send any cheque or any share certificate to the holder of any Series M Preferred Share, whether in connection with the redemption of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by means of publication once in each of two successive weeks in one daily English language newspaper of general circulation published in each of the Provinces of Canada and once in a daily French language newspaper of general circulation published in Montreal and notice so published shall be deemed to have been given on the date on which the first publication has taken place in the last of the Provinces of Canada;

(b) fulfill the requirement to send such cheque or such share certificate by arranging for the delivery thereof to such holder by the Transfer Agent for the Series M Preferred Shares at its principal offices in the cities of Vancouver, Calgary, Regina, Winnipeg, Toronto, Montreal and Halifax, and such cheque and/or certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the directors of the Corporation determine that mail service is no longer interrupted or threatened to be interrupted such cheque or share certificate, if not theretofore delivered to such holder, shall be sent by mail as herein provided. In the event that the Corporation is required to mail such share certificate, such mailing shall be made by prepaid mail to the registered address of each person who at the date of mailing is a registered holder and who is entitled to receive such certificate.

10. Amendment

Subject to the exception provided for in this clause 10, the provisions contained in clauses 1 to 11 both inclusive (including this clause) attaching to the Series M Preferred Shares or any of them may be deleted, varied, modified, amended or amplified by Articles of Amendment but only with the prior approval of the holders of the Series M Preferred Shares given in accordance with clause 11 hereof, in addition to any vote, authorization, confirmation or approval required by the Act. After November 14, 1990 holders of Series M Preferred Shares will not be entitled to vote separately as a series, nor shall such holders be entitled to dissent upon a proposal to amend the articles of the Corporation to reclassify and change the Series M Preferred Shares as and into \$25.00 Floating Rate Cumulative Redeemable Preferred Shares Series J (“Series J Preferred Shares”) provided that such proposal provides that the Series M Preferred Shares are to be reclassified and changed as and into Series J Preferred Shares on a one-for-one basis and the rights, privileges, restrictions and conditions attaching to the Series J Preferred Shares at such time are identical to the rights, privileges, restrictions and conditions attaching to the Series J Preferred Shares on the date hereof and the Series J Preferred Shares are otherwise as constituted on the date hereof.

11. Approval of Holders of Series M Preferred Shares

The approval of the holders of Series M Preferred Shares required as to any and all matters referred to herein (in addition to or as distinct from any vote, authorization, confirmation or approval required by the Act) may be given by an instrument or instruments in writing signed by the holders of all of the issued and outstanding Series M Preferred Shares or by a resolution passed by at least 66 2/3% of the votes cast at a meeting of the holders of the Series M Preferred Shares duly called for that purpose and held in accordance with the provisions of clause 4 of the provisions attaching to the Class AAA Preference Shares as a class, mutatis mutandis, with Series M Preferred Shares having one vote for such purposes for each Series M Preferred Share held.

**Number and Designation of
and Rights, Privileges, Restrictions
and Conditions Attaching to the
Class AAA Preference Shares, Series Z**

27. Class AAA preference shares, Series Z. Brookfield Office Properties Inc. (the “Corporation”)

The twenty-sixth series of Class AAA Preference Shares shall consist of 800,000 shares designated Class AAA Preference Shares, Series Z which replace the “Cumulative Perpetual Preferred Shares Series N” of BPO Properties Ltd. (the Class AAA Preference Shares, Series Z shall hereinafter be referred to as the “Series N Preferred Shares”) and, in addition to the rights, privileges, restrictions and conditions attaching to the Class AAA Preference Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

PART I

All terms used in Part I of these provisions respecting the Series N Preferred Shares which are defined in Part II hereof have the meaning ascribed to them in Part II hereof:

1. Payment of Dividends

(a) For the Initial Five Year Term, the holders of Series N Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the Board of Directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends in an amount determined in accordance with sections I.2(a) hereof payable on the Dividend Payment Dates in each year, the first of which dividends shall be paid on May 14, 1989 and the last of which dividends shall be paid on May 14, 1994.

(b) After the expiry of the Initial Five Year Term, for each Dividend Period falling within a Corporation Determined Term, the holders of Series N Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the Board of Directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, quarterly cumulative preferential cash dividends in an amount determined in accordance with section I.2(b) hereof payable, with respect to each such Dividend Period, on the Dividend Payment Date immediately following the end of such Dividend Period.

(c) After the expiry of the Initial Five Year Term, for each Dividend Period falling within a Dealer Determined Term, the holders of Series N Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the Board of Directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, quarterly cumulative preferential cash dividends in an amount determined in accordance with section I.2(c) hereof payable, with respect to each such Dividend Period, on the Dividend Payment Date immediately following the end of such Dividend Period.

(d) After the expiry of the Initial Five Year Term, for each Auction Dividend Period falling within an Auction Term, the holders of Series N Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the Board of Directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends, monthly cumulative preferential cash dividends in an amount determined in accordance with section I.2(d) hereof payable, with respect to each such Auction Dividend Period, on the Auction Dividend Payment Date immediately following the end of such Auction Dividend Period.

The Corporation shall pay such dividends on the Series N Preferred Shares to the holders of record thereof at the close of business on the sixth Business Day immediately preceding the relevant Dividend Payment Date or Auction Dividend Payment Date (as applicable). Payment of any dividends may be made by cheque of the Corporation or its paying agent and such payment shall be a full and complete discharge of the Corporation’s obligation to pay the dividends unless the cheque is not honoured when presented for payment.

Dividends which are represented by a cheque which has not been presented to the Corporation’s bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable may be reclaimed and used by the Corporation for its own purposes.

2. Amount of Dividends

(a) The dividend to be paid on each Series N Preferred Share during the Initial Five Year Term shall be the amount of \$1.9625 per annum payable in equal quarterly instalments of \$0.490625 on each Dividend Payment Date except the first dividend which shall be payable on May 14, 1989 and shall be in the amount of \$1.9625 multiplied by a fraction of which the numerator is the number of days from and including the date of issue of the Series N Preferred Shares to but excluding the first Dividend Payment Date and the denominator is 365.

(b) Subject to section I.2(e) hereof, after the expiry of the Initial Five Year Term, for each Dividend Period included within a Corporation Determined Term, the dividend to be paid on each Series N Preferred Share on the Dividend Payment Date immediately following the end of such Dividend Period shall be the amount obtained by multiplying \$25.00 by the Corporation Determined Quarterly Dividend Rate for such Dividend Period.

(c) Subject to section I.2(e) hereof, after the expiry of the initial Five Year Term, for each Dividend Period included within a Dealer Determined Term, the dividend to be paid on each Series N Preferred Share on the Dividend Payment Date

immediately following the end of such Dividend Period shall be the amount obtained by multiplying \$25.00 by the Dealer Determined Quarterly Dividend Rate for such Dividend Period.

(d) After the expiry of the Initial Five Year Term, for each Auction Dividend Period included within an Auction Term, the dividend to be paid on each Series N Preferred Share on the Auction Dividend Payment Date immediately following the end of such Auction Dividend Period shall be determined as follows:

(i) on the Auction Dividend Payment Date immediately following the end of the first Auction Dividend Period during any Auction Term, the dividend to be paid on each Series N Preferred Share be the amount which is the product of (1) \$25.00, (2) 75% of the Bankers' Acceptance Rate (as defined in section V.1(d) hereof) determined as of the first Business Day of such Auction Dividend Period and (3) the number of days in the first Auction Dividend Period, divided by 365; and

(ii) on the Auction Dividend Payment Dates immediately following the end of the second and subsequent Auction Dividend Periods during any Auction Term, the dividend to be paid on each Series N Preferred Share shall be the amount which is the product of (1) \$25.00, (2) the Current Dividend Rate for each such Auction Dividend Period as determined on the Auction Date immediately prior to the beginning of such Auction Dividend Period and (3) the number of days in such Auction Dividend Period, divided by 365.

(e) After the expiry of the Initial Five Year Term, for the first Dividend Period included within a Corporation Determined Term or a Dealer Determined Term, in either case immediately following an Auction Term, the dividend to be paid on each Series N Preferred Share on the Dividend Payment Date immediately following the end of such Dividend Period shall be the product of (1) \$25.00, (2) four times the Corporation Determined Quarterly Dividend Rate or the Dealer Determined Quarterly Dividend Rate, as the case may be, for such Dividend Period and (3) the number of days in such Dividend Period, divided by 365.

(f) If, for any reason, the dividend rate applicable hereunder is, in respect of any particular day, not determined or not determinable in accordance with the provisions hereof, the rate applicable in respect of such day shall be the Bankers' Acceptance Rate (as defined in section V.1(d) hereof) on such day plus 0.40%.

3. Cumulative Dividends

If on any Dividend Payment Date or Auction Dividend Payment Date the dividends accrued to such date are not paid in full on all Series N Preferred Shares then outstanding, such dividends, or the unpaid part thereof, shall be paid on a subsequent date or dates determined by the Board of Directors of the Corporation on which the Corporation shall have sufficient moneys properly applicable to the payment of such dividends. The holders of Series N Preferred Shares shall not be entitled to any dividends other than or in excess of the cumulative preferential cash dividends herein provided for.

4. Redemption at the Option of the Corporation

The Series N Preferred Shares shall not be redeemable at the option of the Corporation prior to the end of the Initial Five Year Term. Subject to the provisions of the Canada Business Corporations Act and other laws governing the Corporation, as now existing or hereafter amended (such laws being hereinafter referred to as the "Act") and the articles of the Corporation, the Corporation may, upon giving notice as hereinafter provided, at any time on or after the end of the Initial Five Year Term, redeem the whole or from time to time any part of the then outstanding Series N Preferred Shares on payment for each share to be redeemed of a price of \$25.00 together, in each case, with an amount equal to all accrued and unpaid dividends thereon to but excluding the date fixed for redemption (the whole constituting and being herein referred to as the "Redemption Price"). If the Corporation desires to redeem only part of the Series N Preferred Shares, the Series N Preferred Shares to be redeemed shall be selected by lot in single shares or in units of 10 shares or less in such manner as the Board of Directors of the Corporation may determine or pro rata disregarding fractions.

Any Series N Preferred Shares which are so redeemed shall be cancelled and not reissued.

5. Manner of Redemption

In the case of any redemption of Series N Preferred Shares pursuant to section I.4 hereof, the Corporation shall, at least 30 (or, in the case of notice given during an Auction Term, 12) days before the date specified for redemption, give notice in writing to each person who at the date of the giving of such notice is the registered holder of Series N Preferred Shares to be redeemed of the intention of the Corporation to redeem such Series N Preferred Shares. Such notice shall set out the date (the "Redemption Date") on which the redemption is to take place (which date may not be a day during an Auction Term other than a Settlement Date), the Redemption Price and, unless all the Series N Preferred Shares held by the holder to whom it is addressed are to be redeemed, the number of Series N Preferred Shares so held which are to be redeemed. On and after the Redemption Date, the Corporation shall pay or cause to be paid to the holders of the Series N Preferred Shares so called for redemption the Redemption Price therefor on presentation and delivery, at the registered office of the Corporation or at such other place or places within Canada designated in such notice, of the certificate or certificates representing the Series N Preferred Share so called for redemption. Payment of the Redemption Price shall be made by cheque of the Corporation or its paying agent and such payment shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the holders of Series N Preferred Shares so called for redemption unless the cheque is not honoured when presented for payment. From and after the Redemption Date, the holders of Series N Preferred Shares called for redemption shall not be entitled to exercise any of the rights of holders of Series N Preferred Shares in respect of such shares except the right to receive the Redemption Price therefor, provided that if payment of such Redemption Price is not duly made by or on behalf of the Corporation in accordance with the provisions hereof, then the

rights of such holders shall remain unaffected. If part only of Series N Preferred Shares represented by any certificate shall be redeemed a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

The Corporation shall have the right, at any time after giving notice of its intention to redeem any Series N Preferred Shares, to deposit the aggregate Redemption Price of the Series N Preferred Shares so called for redemption; or of such of the Series N Preferred Shares represented by certificates as have not at the date of such deposit been delivered by the holders thereof in connection with such redemption, in a special account in any chartered bank or any trust company in Canada (including any affiliate of the Corporation) to be paid without interest to or to the order of the respective holders of the Series N Preferred Shares called for redemption, upon presentation and delivery to such bank or trust company of the certificates representing such Series N Preferred Shares. Upon such deposit being made or upon the Redemption Date, whichever is the later, the Series N Preferred Shares in respect whereof such deposit shall have been made shall be and shall be deemed to be redeemed and the rights of the holders thereof after such deposit or the Redemption Date, as the case may be, shall be limited to receiving without interest their proportionate part of the total Redemption Price so deposited upon presentation and delivery of the certificates representing the Series N Preferred Shares held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation. Redemption moneys in respect of any Redemption Date held on deposit to a special account for a period of three years from the applicable Redemption Date may be returned to the Corporation. Redemption moneys which remain unclaimed (including moneys returned to the Corporation from a special account after three years) for a period of six years from the Redemption Date may be reclaimed and used by the Corporation for its own purposes.

6. Purchase for Cancellation

Subject to the provisions of the Act and the articles of the Corporation, the Corporation may at any time or times purchase (if obtainable) the whole or any part of the outstanding Series N Preferred Shares by invitation for tenders to all the holders of record of Series N Preferred Shares outstanding at the lowest price or prices at which, in the opinion of the Board of Directors of the Corporation, such shares are then obtainable but not exceeding \$25.00 per share together, in each case, with an amount equal to all accrued and unpaid dividends thereon up to but excluding the date of purchase, and the costs of purchase.

The Corporation shall give notice of its intention to invite tenders to all holders of Series N Preferred Shares by giving notice of such invitation to each holder of Series N Preferred Shares in accordance with the provisions from time to time of the by-laws of the Corporation respecting notice to shareholders. If, upon any invitation for tenders under the provisions of section I.6, the Corporation shall receive tenders of Series N Preferred Shares at the same price, which shares when added to any Series N Preferred Shares tendered at a lower price or prices aggregate a number greater than the number for which the Corporation is prepared to accept tenders, the Series N Preferred Shares so tendered at the same price which the Corporation determines to purchase shall be purchased as nearly as may be pro rata (disregarding fractions) in proportion to the total number of Series N Preferred Shares so tendered by each of the holders of Series N Preferred Shares who submitted tenders at such price. Any Series N Preferred Shares so purchased shall be cancelled and not reissued. If part only of the Series N Preferred Shares represented by any certificate shall be purchased, a new certificate for the balance of such shares shall be issued at the expense of the Corporation.

7. Restriction on Dividends and Retirement or Issue of Shares

Subject to the provisions of the Act, as long as any Series N Preferred Shares are outstanding, the Corporation shall not, without the prior approval of the holders of such outstanding Series N Preferred Shares given in the manner hereinafter specified:

(a) declare or pay or set apart for payment any dividends on the Common Shares or on shares of any other class of the Corporation ranking as to dividends junior to the Series N Preferred Shares (other than stock dividends in shares of the Corporation ranking as to capital and dividends junior to the Series N Preferred Shares); or

(b) except out of the net cash proceeds of a substantially concurrent issue of shares ranking as to capital and dividends junior to the Series N Preferred Shares, redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of the common shares or shares of any other class of the Corporation ranking as to capital junior to the Series N Preferred Shares; or

(c) redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of less than all of the Series N Preferred Shares; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption or purchase or otherwise reduce or make any return of capital in respect of any shares of any other class or series of the Corporation ranking as to capital *pari passu* with the Series N Preferred Shares; or

(e) issue any additional Class AAA Preference Shares (other than pursuant to the exercise of existing rights to convert outstanding shares of the Corporation into Class AAA Preference Shares of an existing series) or any shares ranking as to dividends or capital prior to or *pari passu* with the Class AAA Preference Shares,

unless, at the date of such declaration, payment, setting apart for payment, redemption, call for redemption, purchase, reduction, return of capital or issue, as the case may be, all accrued and unpaid cumulative dividends up to and including the dividend payment for the last completed period for which such dividends shall be payable, shall have been declared and paid or set apart for payment on the Series N Preferred Shares and any accrued and unpaid cumulative dividends which

have become payable and any declared and unpaid non-cumulative dividends shall have been paid or set apart for payment on all other shares ranking as to dividends prior to or pari passu with the Series N Preferred Shares.

8. Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution or assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, the holders of Series N Preferred Shares shall be entitled to be paid and to receive \$25.00 per share plus an amount equal to all accrued and unpaid dividends thereon before any amount shall be paid or any assets of the Corporation shall be distributed to the holders of the Common Shares or of shares of any other class of the Corporation ranking as to capital junior to the Series N Preferred Shares. Upon payment to the holders of Series N Preferred Shares of the amount so payable to them, they shall not be entitled to share in any further distribution of the assets of the Corporation.

9. Information and Voting Rights

The holders of Series N Preferred Shares shall be entitled to receive all financial statements and other information sent by the Corporation to the holders of its Common Shares but they shall not, as such, except as expressly provided herein, have the right to receive notice of, or to attend or to vote at, any meetings of shareholders of the Corporation unless the Corporation shall have failed to pay in the aggregate dividends with respect to Dividend Periods, whether or not consecutive, aggregating at least 24 months on the Series N Preferred Shares in which case, and so long thereafter as any dividends on the Series N Preferred Shares continue to be in arrears, the holders of Series N Preferred Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation other than any meetings of the holders of any other class or series of shares of the Corporation held separately as a class or series but shall have no vote thereat, and shall be entitled, voting separately as a class together with all other holders of Series G, J, K, M and N Preferred Shares having such right, to elect two members of the Board of Directors of the Corporation and for such purpose the holders of the Series N Preferred Shares shall have one vote for each Series N Preferred Share held.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of all persons who may be directors of the Corporation at any time when the right to elect directors shall accrue to the holders of Series N Preferred Shares as provided in this section, or who may be appointed as directors after such right shall have accrued and before a meeting of shareholders shall have been held, shall terminate upon the election of new directors at the next annual meeting of shareholders or at any other meeting of shareholders which may be held for the purpose of electing directors at any time after the accrual of such right to elect directors upon not less than 21 days' notice. Any such other meeting shall be called by the Secretary of the Corporation upon the written request of the holders of at least 10% of the outstanding Series N Preferred Shares and in default of the calling of such meeting by the Secretary within 5 days after the making of such request it may be called by any holder of Series N Preferred Shares.

Any vacancy occurring among members of the Board of Directors elected to represent the holders of Series G, J, K, M and N Preferred Shares in accordance with the foregoing provisions of this section may be filled by the Board of Directors with the consent and approval of the remaining director elected to represent the holders of Series G, J, K, M and N Preferred Shares but if there be no such remaining director the Board of Directors may elect two holders of Series G, J, K, M and N Preferred Shares to fill the vacancy or vacancies. Whether or not such vacancies are so filled by the Board of Directors, the holders of at least 10% of the outstanding Series N Preferred Shares shall have the right to require the Secretary of the Corporation to call a meeting of the holders of Series G, J, K, M and N Preferred Shares for the purpose of filling the vacancies or replacing all or any of the persons filling such vacancies who have been appointed by the Board of Directors when there is no director in office who has been elected to represent the holders of Series G, J, K, M and N Preferred Shares and the provisions set forth in the immediately preceding paragraph shall apply in respect of the calling of such meeting.

Notwithstanding anything contained in the articles or by-laws of the Corporation, the term of office of the directors elected by the holders of Series G, J, K, M and N Preferred Shares shall terminate forthwith when all arrears of dividends have been paid on the Series G, J, K, M and N Preferred Shares then outstanding and the vacancies thereby created may be filled by the remaining directors of the Corporation.

Number and Designation of and Rights, Privileges, Restrictions and Conditions Attaching to the Class AAA Preference Shares, Series AA

28. Class AAA preference shares, Series AA. Brookfield Office Properties Inc. (the "Corporation")

The twenty-seventh series of Class AAA Preference Shares of the Corporation shall consist of 12,000,000 Class AAA Preference Shares which shall be designated as Class AAA Preference Shares, Series AA (hereinafter referred to as the "Series AA Shares") and which, in addition to the rights, privileges, restrictions and conditions attaching to the Class AAA Preference Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Consideration for Issue

The consideration for the issue of each Series AA Share shall be \$25.00.

2. Dividends

2.1 Payment of Dividends

Holders of Series AA Shares (the “Holders”) shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends (the “Series AA Dividends”) payable quarterly on the last day of March, June, September and December (each, a “Dividend Payment Date”) at the rates herein provided by cheque at par in lawful money of Canada at any branch in Canada of the Corporation’s bankers for the time being or by any other reasonable means the Corporation deems desirable.

(a) During the Initial Fixed Rate Period, the Series AA Dividends payable on the Series AA Shares will be in an annual amount per share equal to the Initial Fixed Dividend Rate, and shall be payable quarterly on each Dividend Payment Date. The initial Series AA Dividend will be payable December 31, 2014 and will be an amount in cash equal to \$0.2245 per Series AA Share. On each Dividend Payment Date during the Initial Fixed Rate Period, (other than December 31, 2014) the Series AA Dividend will be equal to \$0.29688 per share.

(b) During each Subsequent Fixed Rate Period, Series AA Dividends payable on the Series AA Shares will be in an annual amount per share determined by multiplying the Annual Fixed Dividend Rate applicable to such Subsequent Fixed Rate Period by \$25.00, and shall be payable quarterly on each Dividend Payment Date during such Subsequent Fixed Rate Period.

(c) The Corporation will calculate on each Fixed Rate Calculation Date the Annual Fixed Dividend Rate for such Subsequent Fixed Rate Period and will, on the Fixed Rate Calculation Date, give written notice thereof to the Holders. Each such determination by the Corporation of the Annual Fixed Dividend Rate will, in the absence of manifest error, be final and binding upon the Corporation and upon all Holders.

2.2 Method of Payment

Series AA Dividends shall (except in case of redemption or conversion in which case payment of Series AA Dividends shall, subject to the provisions of Section 15, be made on surrender of the certificate representing the Series AA Shares to be redeemed or converted) be paid by sending to each Holder (in the manner provided for in Section 13) a cheque for such Series AA Dividends (less any tax required to be deducted and withheld by the Corporation) payable to the order of such Holder or, in the case of joint Holders, to the order of all such Holders failing written instructions from them to the contrary. The posting or delivery of such cheque on or before the date on which such dividend is to be paid to a Holder shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be and in fact deducted and withheld by the Corporation from the related dividends as aforesaid and remitted to the proper taxing authority) unless such cheque is not honoured when presented for payment. Subject to applicable law, dividends which are represented by a cheque that has not been presented to the Corporation’s bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable shall be forfeited to the Corporation.

2.3 Cumulative Payment of Dividends

If on any Dividend Payment Date, the Series AA Dividends accrued to such date are not paid in full on all of the Series AA Shares then outstanding, such Series AA Dividends, or the unpaid part thereof, shall be paid on a subsequent date or dates determined by the directors on which the Corporation shall have sufficient monies properly applicable to the payment of such Series AA Dividends. The Holders shall not be entitled to any dividends other than or in excess of the Series AA Dividends.

2.4 Dividend for Other than a Full Dividend Period

The Holders shall be entitled to receive, and the Corporation shall pay thereon, if, as and when declared by the directors, out of moneys of the Corporation properly applicable to the payment of dividends, Series AA Dividends for any period which is more or less than a full Dividend Period as follows:

(a) in respect of the period beginning on and including the date of initial issue of the Series AA Shares up to and including December 31, 2014 (the “Initial Dividend Period”), a dividend in an amount per Series AA Share equal to the amount obtained (rounded to four decimal places) where \$1.1875 is multiplied by a fraction, the numerator of which is the number of calendar days from but excluding the date of issue of the Series AA Shares up to and including December 31, 2014 and the denominator of which is 365. The Series AA Dividend payable for the Initial Dividend Period, payable as of December 31, 2014, as calculated by this method shall be \$0.2245 per Series AA Share;

(b) in respect of any period other than the Initial Dividend Period that is less than a full Dividend Period, a dividend in an amount per Series AA Share equal to the amount obtained (rounded to five decimal places) when the product of the Annual Fixed Dividend Rate and \$25.00 is multiplied by a fraction, the numerator of which is the number of calendar days in the relevant period (which shall include the first and last day of such period) and the denominator of which is the number of calendar days in the year in which such period falls.

3. Redemption

3.1 Optional Redemption

The Corporation may not redeem any of the Series AA Shares prior to December 31, 2019. On December 31, 2019 and on December 31 every five years thereafter (each, a “Series AA Conversion Date”), the Corporation may, subject to the terms of any shares ranking prior to the Series AA Shares, to applicable law and to the provisions described under Section 6 below, upon giving notice as hereinafter provided, at its option and without the consent of the Holders, redeem all, or

any part, of the then outstanding Series AA Shares by the payment of an amount in cash for each such Series AA Share so redeemed equal to \$25.00 per Series AA Share, together with all accrued and unpaid Series AA Dividends up to but excluding the date fixed for redemption (the “Redemption Price”) (less any tax required to be deducted and withheld by the Corporation).

3.2 Partial Redemption

If less than all of the then outstanding Series AA Shares are at any time to be redeemed, then the particular Series AA Shares to be redeemed shall be selected on a pro rata basis disregarding fractions or, with the consent of the Toronto Stock Exchange, if the Series AA Shares are at such time listed on such exchange, in such manner as the directors in their sole discretion may, by resolution, determine.

3.3 Method of Redemption

The Corporation shall give notice in writing not less than 30 days nor more than 60 days prior to the applicable Series AA Conversion Date of its intention to redeem such Series AA Shares to each person who at the date of giving such notice is the Holder of Series AA Shares to be redeemed. Any such notice shall be validly and effectively given on the date on which it is sent to each Holder of Series AA Shares to be redeemed in the manner provided for in Section 13. Such notice shall set out the number of such Series AA Shares held by the person to whom it is addressed which are to be redeemed and the Redemption Price and shall also set out the date on which the redemption is to take place. On and after the date so specified for redemption, the Corporation shall pay or cause to be paid to the Holders to be redeemed the Redemption Price (less any tax required to be deducted and withheld by the Corporation) on presentation and surrender, at any place within Canada designated by such notice, of the certificate or certificates for such Series AA Shares so called for redemption, subject to the provisions of Section 15. Such payment shall be made by cheque in the amount of the Redemption Price (less any tax required to be and in fact deducted and withheld by the Corporation and remitted to the proper taxing authority) payable at par at any branch in Canada of the Corporation’s bankers for the time being or by any other reasonable means that the Corporation deems desirable and the delivery of such cheque in such amount shall be a full and complete discharge of the Corporation’s obligation to pay the Redemption Price owed to the Holders of Series AA Shares so called for redemption to the extent of the sum represented thereby (plus the amount of any tax required to be and in fact deducted and withheld by the Corporation and remitted to the proper taxing authority) unless the cheque is not honoured when presented for payment. From and after the date specified in any such notice, the Series AA Shares called for redemption shall cease to be entitled to Series AA Dividends and the Holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof, except to receive the Redemption Price therefor (less any tax required to be deducted and withheld by the Corporation), unless payment of the Redemption Price shall not be duly made by the Corporation. At any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the Redemption Price of any or all Series AA Shares called for redemption (less any tax required to be deducted and withheld by the Corporation), or such part thereof as at the time of deposit has not been claimed by the Holders entitled thereto, with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective Holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, subject to the provisions of Section 15. Upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption. After the Corporation has made a deposit as aforesaid with respect to any shares, the Holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the Holders thereof shall be limited to receiving a proportion of the amounts so deposited applicable to such shares, without interest. Any interest allowed on such deposit shall belong to the Corporation. Subject to applicable law, redemption monies that are represented by a cheque which has not been presented to the Corporation’s bankers for payment or that otherwise remain unclaimed (including monies held in deposit as provided for above) for a period of six years from the date specified for redemption shall be forfeited to the Corporation.

4. Conversion of Series AA Shares

4.1 Conversion at the Option of the Holder

(a) Subject to applicable law and the terms and provisions hereof, Holders will have the right, at their option, on each Series AA Conversion Date, to convert, all, or any part of, the then outstanding Series AA Shares registered in the name of the Holder into Class AAA Preference Shares, Series BB (“Series BB Shares”) on the basis of one (1) Series BB Share for each Series AA Share. The Corporation shall provide written notice not less than 30 and not more than 60 days prior to the applicable Series AA Conversion Date to the Holders of the conversion privilege provided for herein (the “Conversion Privilege”). Such notice shall (i) set out the Series AA Conversion Date, and (ii) include instructions to such Holders as to the method by which such Conversion Privilege may be exercised, as described in Section 4.3. On the 30th day prior to each Series AA Conversion Date, the Corporation will provide to the Holders written notice of the Annual Fixed Dividend Rate applicable to the Series AA Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate applicable to the Series BB Shares for the next succeeding Quarterly Floating Rate Period, in each case as determined by the Corporation.

(b) If the Corporation gives notice as provided in Section 3 to the Holders of the redemption of all the Series AA Shares, the Corporation will not be required to give notice as provided in this Section 4.1 to the Holders of the Floating Quarterly

Dividend Rate, Annual Fixed Dividend Rate or Conversion Privilege and the right of any Holder to convert Series AA Shares as herein provided shall cease and terminate in that event.

(c) Holders shall not be entitled to convert their shares into Series BB Shares on a Series AA Conversion Date if the Corporation determines that there would remain outstanding on the Series AA Conversion Date less than 1,000,000 Series BB Shares after taking into account all Series AA Shares tendered for conversion into Series BB Shares and all Series BB Shares tendered for conversion into Series AA Shares. The Corporation shall give written notice thereof to all affected Holders at least seven (7) days prior to the applicable Series AA Conversion Date and, subject to the provisions of Section 15, shall issue and deliver, or cause to be delivered prior to such Series AA Conversion Date, at the expense of the Corporation, to the Holders who have surrendered for conversion any endorsed certificate or certificates representing Series AA Shares, new certificates representing the Series AA Shares represented by any certificate or certificates surrendered as aforesaid.

4.2 Automatic Conversion

If the Corporation determines that there would remain outstanding on a Series AA Conversion Date less than 1,000,000 Series AA Shares after taking into account all Series AA Shares tendered for conversion into Series BB Shares and all Series BB Shares tendered for conversion into Series AA Shares, then, all, but not part, of the remaining outstanding Series AA Shares shall automatically be converted into Series BB Shares on the basis of one (1) Series BB Share for each Series AA Share on the applicable Series AA Conversion Date. The Corporation shall give notice in writing thereof to the Holders of such remaining Series AA Shares at least seven (7) days prior to the Series AA Conversion Date.

4.3 Manner of Conversion

(a) Subject to the provisions of Section 15, the Conversion Privilege may be exercised by notice in writing (an "Election Notice") given not earlier than the 30th day prior to a Series AA Conversion Date but not later than 5:00 p.m. (Toronto time) on the 15th day preceding the applicable Series AA Conversion Date during usual business hours at any principal transfer office of the Transfer Agent, or such other place or places in Canada as the Corporation may agree, accompanied by (1) payment or evidence of payment of the tax (if any) payable as provided in this Section 4.3; and (2) the certificate or certificates representing the Series AA Shares in respect of which the Holder thereof desires to exercise the Conversion Privilege with the transfer form on the back thereof or other appropriate stock transfer power of attorney duly endorsed by the Holder, or his or her attorney duly authorized in writing, in which Election Notice such Holder may also elect to convert part only of the Series AA Shares represented by such certificate or certificates not theretofore called for redemption in which event the Corporation will issue and deliver or cause to be delivered to such Holder, at the expense of the Corporation, a new certificate representing the Series AA Shares represented by such certificate or certificates that have not been converted. Each Election Notice will be irrevocable once received by the Corporation.

(b) If the Corporation does not receive an Election Notice from a Holder during the notice period therefor, then the Series AA Shares shall be deemed not to have been converted (except in the case of an automatic conversion pursuant to Section 4.2).

(c) In the event the Corporation is required to convert all remaining outstanding Series AA Shares into Series BB Shares on the applicable Series AA Conversion Date as provided for in Section 4.2, the Series AA Shares in respect of which the Holders have not previously elected to convert shall be converted on the Series AA Conversion Date into Series BB Shares and the Holders thereof shall be deemed to be holders of Series BB Shares at 5:00 p.m. (Toronto time) on the Series AA Conversion Date and shall be entitled, upon surrender during usual business hours at any principal transfer office of the Transfer Agent, or such other place or places in Canada as the Corporation may agree, of the certificate or certificates representing Series AA Shares not previously surrendered for conversion, to receive a certificate or certificates representing the same number of Series BB Shares in the manner and subject to the terms and provisions as provided in this Section 4.3 and Section 15.

(d) Subject to the provisions of Section 15, as promptly as practicable after the Series AA Conversion Date, the Corporation shall issue and deliver, or cause to be delivered to or upon the written order of the Holder of the Series AA Shares so surrendered in accordance with this Section 4, a certificate or certificates, issued in the name of, or in such name or names as may be directed by, such Holder representing the number of fully-paid and non-assessable Series BB Shares and the number of remaining Series AA Shares, if any, to which such Holder is entitled. Such conversion shall be deemed to have been made at 5:00 p.m. (Toronto time) on the Series AA Conversion Date, so that the rights of the Holder of such Series AA Shares as the Holder thereof shall cease at such time and the person or persons entitled to receive the Series BB Shares upon such conversion will be treated for all purposes as having become the holder or holders of record of such Series BB Shares at such time.

(e) The Holder of any Series AA Share on the record date for any Series AA Dividend declared payable on such share shall be entitled to such dividend notwithstanding that such share is converted into Series BB Shares after such record date and on or before the date of the payment of such dividend.

(f) Subject to the provisions of Section 15, the issuance of certificates for the Series BB Shares upon the conversion of Series AA Shares shall be made without charge to the converting Holders for any fee or tax in respect of the issuance of such certificates or the Series BB Shares represented thereby; provided, however, that the Corporation shall not be required to pay any tax which may be imposed upon the person or persons to whom such Series BB Shares are issued in respect of the issuance of such Series BB Shares or the certificate therefor or which may be payable in respect of any transfer involved

in the issuance and delivery of any such certificate in the name or names other than that of the Holder or deliver such certificate unless the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

4.4 Status of Converted Series AA Shares

All Series AA Shares converted into Series BB Shares on a Series AA Conversion Date shall not be cancelled but shall be restored to the status of authorized but unissued shares of the Corporation as at the close of business on the Series AA Conversion Date and available for issuance on the conversion of the Series BB Shares.

4.5 Right Not to Deliver Series BB Shares

On the exercise of the Conversion Privilege by a Holder, the Corporation reserves the right not to deliver Series BB Shares to any Ineligible Person.

5. The Corporation's Option to Exchange

5.1 Exchange Right

At any time without approval of the Holders, the Corporation may, at its option, upon giving written notice (the "Exchange Notice") exchange all of the then outstanding Series AA Shares (the "Exchange Right") into the same number of freely tradable preference shares (the "New Series AA Shares") of a newly formed Canadian subsidiary ("Successor") of Brookfield Property Partners L.P. ("BPY"), provided that:

- (a) the New Series AA Shares have the same terms as the Series AA Shares;
- (b) any applicable regulatory approvals are obtained;
- (c) the New Series AA Shares are fully and unconditionally guaranteed by BPY;
- (d) the New Series AA Shares are assigned ratings which are the same or higher than the then prevailing ratings of the Series AA Shares; and
- (e) the tax considerations generally applicable to a holder of the New Series AA Shares are the same as for the Series AA Shares, and, except in certain limited circumstances (including where the holder does not deal at arm's length with the Successor for purposes of the Tax Act), no tax shall be payable by a holder of Series AA Shares as a result of the exercise of the Exchange Right.

5.2 Exchange Notice

The Exchange Notice must be given at least ten (10) days but no more than sixty (60) days prior to the date of the exchange (the "Exchange Date") and must set out the number of Series AA Shares held by the person to whom it is addressed which are to be exchanged. The Exchange Notice also must advise the Holder that the New Series AA Shares will be registered in the name of the Holder. Such exchange will be deemed to have been made at 5:00pm (Toronto time) on the Exchange Date, so that the rights of the Holder as the holder of Series AA Shares will cease at such time and the person or persons entitled to receive New Series AA Shares upon such exchange will be treated for all purposes as having become the holder or holders of record of such New Series AA Shares at such time. The Exchange Notice may be revoked on at least five (5) days written notice being given, in which case the Series AA shares shall remain outstanding, unaffected.

5.3 Prohibition on Exchange

The Corporation cannot exercise the Exchange Right hereunder if any one or more of the following events has occurred:

- (a) where the issuance or delivery of such New Series AA Shares is prohibited by applicable law or by any regulatory or other authority having jurisdiction over the Corporation; or
- (b) such New Series AA Shares will not at the time of issuance be listed on the stock exchange on which the Series AA Shares are then listed for trading.

5.4 Delivery of Shares and Share Certificates

On any exchange of Series AA shares pursuant to the exercise of the Exchange Right, the share certificates for New Series AA Shares resulting therefrom will be delivered in the name of the holder of the Series AA Shares exchanged; provided that such Holder will (i) pay any applicable securities transfer taxes including, without limitation, any documentary, stamp, transfer or other taxes that may be payable in respect of any transfer involved in the issuance or delivery of such shares to a person other than such Holder or (ii) will have evidenced to the satisfaction of the Corporation that such taxes, if any, have been paid.

Subject to these Series AA share provisions, upon the exercise of the Exchange Right, any holder of Series AA Shares to be exchanged for will be deemed to have become a holder of New Series AA Shares of record for all purposes on the Exchange Date, notwithstanding any delay in the delivery of certificates representing the New Series AA Shares for which such Series AA Shares have been exchanged.

On exercise of the Exchange Right, the Corporation reserves the right not to deliver New Series AA Shares to any Ineligible Person.

5.5 Effect on Conversion Rights

In the event the Exchange Right is exercised, the New Series AA Shares would then be convertible into preference shares (the "New Series BB Shares") of the Successor with the same terms as the Series BB Shares.

6. Restrictions on Dividends and Retirement and Issue of Shares

So long as any of the Series AA Shares are outstanding, the Corporation shall not, without the approval of the Holders:

(a) declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of the Corporation ranking as to capital and dividends junior to the Series AA Shares) on any shares of the Corporation ranking as to dividends junior to the Series AA Shares;

(b) except out of the net cash proceeds of a substantially concurrent issue of shares of the Corporation ranking as to return of capital and dividends junior to the Series AA Shares, redeem or call for redemption, purchase or otherwise pay off, retire or make any return of capital in respect of any shares of the Corporation ranking as to capital junior to the Series AA Shares;

(c) redeem or call for redemption, purchase or otherwise pay off or retire for value or make any return of capital in respect of less than all of the Series AA Shares then outstanding; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption, purchase or otherwise pay off, retire or make any return of capital in respect of any Class AAA Preference Shares, ranking as to the payment of dividends or return of capital on a parity with the Series AA Shares;

unless, in each such case, all accrued and unpaid dividends up to and including the Series AA Dividend payable for the last completed Dividend Period and on all other shares of the Corporation ranking prior to or on a parity with the Series AA Shares with respect to the payment of dividends have been declared and paid or set apart for payment.

7. Purchase for Cancellation

Subject to applicable law and to the provisions described in Section 6 above, the Corporation may at any time purchase for cancellation the whole or any part of the Series AA Shares outstanding from time to time, in the open market through or from an investment dealer or any firm holding membership on a recognized stock exchange or by private agreement or otherwise, at the lowest price or prices at which in the opinion of the directors such shares are obtainable.

8. Liquidation, Dissolution or Winding-Up

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 shall be entitled to payment of an amount equal to \$25.00 per Series AA Share, plus an amount equal to all accrued and unpaid Series AA Dividends up to but excluding the date of payment or distribution (less any tax required to be deducted and withheld by the Corporation), before any amounts shall be paid or any assets of the Corporation distributed to the holders of any shares ranking junior as to capital to the Series AA Shares. Upon payment of such amounts, the Holders shall not be entitled to share in any further distribution of the assets of the Corporation.

9. Voting Rights

The Holders will not be entitled (except as otherwise provided by law and except for meetings of the holders of Class AAA Preference Shares as a class and meetings of all Holders as a series) to receive notice of, attend, or vote at any meeting of shareholders of the Corporation unless and until the Corporation shall have failed to pay eight quarterly Series AA Dividends whether or not consecutive. In the event of such non-payment, and for only so long as any such dividends remain in arrears, the Holders shall have the right to receive notice of and to attend each meeting of shareholders of the Corporation, other than any meetings at which only holders of another specified class or series are entitled to vote, and such Holders shall have the right, at any such meeting, to one (1) vote for each Series AA Share held. No other voting rights shall attach to the Series AA Shares in any circumstances. Upon payment of the entire amount of all Series AA Dividends in arrears, the voting rights of the Holders shall forthwith cease (unless and until the same default shall again arise under the provisions of this Section 9).

10. Modifications

These Series AA share provisions may be repealed, altered, modified or amended from time to time with such approval as may then be required by the Canada Business Corporations Act, any such approval to be given in accordance with Section 11.

11. Approval of Holders

11.1 Approval

Except as otherwise provided herein, any approval of the Holders with respect to any matters requiring the consent of the Holders may be given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by a resolution signed by all the Holders or passed by the affirmative vote of at least 66 2/3% of the votes cast by the Holders who voted in respect of that resolution at a meeting of the Holders duly called for that purpose and at which the Holders of at least 25% of the outstanding Series AA Shares are present or represented by proxy. If at any such meeting the Holder(s) of at least 25% of the outstanding Series AA Shares are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than 15 days thereafter and to such time and place as may be designated by the chairman of such meeting, and not less than 10 days' written notice shall be given of such adjourned meeting. At such adjourned meeting, the Holder(s) of Series AA Shares represented in person or by proxy may transact the business for which the meeting was originally called and the Holders represented in person or by proxy shall form the necessary quorum. At any meeting of Holders as a series, each Holder shall be entitled to one (1) vote in respect of each Series AA Share held.

11.2 Formalities, etc.

The proxy rules applicable to, the formalities to be observed in respect of the giving notice of, and the formalities to be observed in respect of the conduct of, any meeting or any adjourned meeting of Holders shall be those from time to time prescribed by the by-laws of the Corporation with respect to meetings of shareholders or, if not so prescribed, as required by law. On every poll taken at every meeting of Holders, each Holder entitled to vote thereat shall have one (1) vote in respect of each Series AA Share held.

12. Tax Election

The Corporation shall elect, in the manner and within the time provided under the Tax Act, under subsection 191.2(1) of Part VI.1 of the Tax Act, or any successor or replacement provision of similar effect, and take all other necessary action under the Tax Act, to pay or cause payment of tax under Part VI.1 of the Tax Act at a rate such that the corporate Holders will not be required to pay tax on dividends received on the Series AA Shares under section 187.2 of Part IV.1 of the Tax Act or any successor or replacement provision of similar effect.

13. Communications with Holders

Except as specifically provided elsewhere in these share conditions, any notice, cheque, invitation for tenders or other communication from the Corporation herein provided for shall be sufficiently given, sent or made if delivered or if sent by first class unregistered mail, postage prepaid, to each Holder at the last address of such Holder as it appears on the securities register of the Corporation or, in the case of joint Holders, to the address of the Holder whose name appears first in the securities register of the Corporation as one of such joint Holders, or, in the event of the address of any of such Holders not so appearing, then to the last address of such Holder known to the Corporation. Accidental failure to give such notice, invitation for tenders or other communication to one or more Holders shall not affect the validity of the notices, invitations for tenders or other communications properly given or any action taken pursuant to such notice, invitation for tender or other communication but, upon such failure being discovered, the notice, invitation for tenders or other communication, as the case may be, shall be sent forthwith to such Holder or Holders.

If any notice, cheque, invitation for tenders or other communication from the Corporation given to a Holder is returned on three consecutive occasions because the Holder cannot be found, the Corporation shall not be required to give or mail any further notices, cheques, invitations for tenders or other communications to such Holder until the Holder informs the Corporation in writing of such Holder's new address.

If the directors determine that mail service is or is threatened to be interrupted at the time when the Corporation is required or elects to give any notice hereunder by mail, or is required to send any cheque or any share certificate to a Holder, whether in connection with the redemption or conversion of such share or otherwise, the Corporation may, notwithstanding the provisions hereof:

(a) give such notice by publication thereof once in a daily English language newspaper of general circulation published in each of Vancouver, Calgary, Winnipeg, Toronto, Montreal and Halifax, and once in a daily French language newspaper published in Montreal and such notice shall be deemed to have been validly given on the day next succeeding its publication in all of such cities; and

(b) fulfill the requirement to send such cheque or such share certificate by arranging for the delivery thereof to such Holder by the Transfer Agent, and such cheque and/or share certificate shall be deemed to have been sent on the date on which notice of such arrangement shall have been given as provided in (a) above, provided that as soon as the directors determine that mail service is no longer interrupted or threatened to be interrupted, such cheque or share certificate, if not theretofore delivered to such Holder, shall be sent by mail as herein provided.

14. Interpretation

14.1 Definitions

For the purposes hereof, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

“Annual Fixed Dividend Rate” means, for any Subsequent Fixed Rate Period, the rate (expressed as a percentage rate rounded down to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date plus 3.15%.

“Bloomberg Screen GCAN5YR Page” means the display designated as page “GCAN5YR<INDEX>” on the Bloomberg Financial L.P. service (or such other page as may replace the GCAN5YR page on that service) for purposes of displaying Government of Canada bond yields.

“Book-Entry Only System” means the record book-entry only securities transfer and pledge system administered by the Depository in accordance with its operating rules and procedures in force from time to time or any successor system thereof.

“BPY” means Brookfield Property Partners L.P. and any successor.

“Conversion Privilege” has the meaning attributed to it in Section 4.1(a).

“Depository” means CDS Clearing and Depository Services Inc. and its nominees or any successor carrying on the business as a depository, which is approved by the Corporation.

“Dividend Payment Date” in respect of the dividends payable on the Series AA Shares means the last day of each of March, June, September, and December in each year.

“Dividend Period” means the period from and including the Issue Date up to and including December 31, 2012 and, thereafter, the period from the date following a Dividend Payment Date up to and including the next succeeding Dividend Payment Date.

“Election Notice” has the meaning attributed to it in Section 4.3.

“Exchange Date” has the meaning attributed to it in Section 5.2.

“Exchange Notice” has the meaning attributed to it in Section 5.1.

“Exchange Right” has the meaning attributed to it in Section 5.1.

“Fixed Rate Calculation Date” means, for any Subsequent Fixed Rate Period, the 30th day prior to the first day of such Subsequent Fixed Rate Period.

“Floating Quarterly Dividend Rate” means, for any Quarterly Floating Rate Period, the rate (expressed as a percentage rate rounded down to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date plus 3.15% calculated on the basis of the actual number of days elapsed in such Quarterly Floating Rate Period divided by 365.

“Floating Rate Calculation Date” means, for any Quarterly Floating Rate Period, the 30th day prior to the first day of such Quarterly Floating Rate Period.

“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 which 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, the Government of Canada Yield will mean the average of the yields determined by two registered Canadian investment dealers selected by the Corporation, as being the yield to maturity on such date (assuming semiannual compounding) which a Canadian dollar denominated 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.

“Holder” has the meaning attributed to it in Section 2.1.

“Ineligible Person” means any person whose address is in, or whom the Corporation or the Transfer Agent has reason to believe is a resident of, any jurisdiction outside Canada where the issue or delivery to that person of Series AA Shares or Series BB Shares would require the Corporation to take any action to comply with securities or analogous laws of that jurisdiction.

“Initial Dividend Period” has the meaning ascribed thereto in Section 2.4.

“Initial Fixed Dividend Rate” means 4.75% per annum.

“Initial Fixed Rate Period” means the period commencing on the Issue Date and ending on and including December 31, 2019.

“Issue Date” means the date on which Series AA Shares are first issued.

“New Series AA Shares” has the meaning attributed to it in Section 5.1.

“New Series BB Shares” has the meaning attributed to it in Section 5.5.

“Quarterly Commencement Date” means the 1st day of each of April, July, October and January in each year.

“Quarterly Floating Rate Period” means, for the initial Quarterly Floating Rate Period, the period commencing on January 1, 2020 and ending on and including March 31, 2020, and thereafter the period from and including the day immediately following the end of the immediately preceding Quarterly Floating Rate Period to but excluding the next succeeding Quarterly Commencement Date.

“Redemption Price” has the meaning attributed to it in Section 3.1.

“Series AA Conversion Date” has the meaning attributed to it in Section 3.1.

“Series AA Dividends” has the meaning attributed to it in Section 2.1.

“Series AA Shares” has the meaning attributed to it in the introductory paragraph to these Series AA share provisions.

“Series BB Shares” means the Class AAA Preference Shares, Series BB.

“Subsequent Fixed Rate Period” means for the initial Subsequent Fixed Rate Period, the period commencing on January 1, 2020 and ending on and including December 31, 2024 and for each succeeding Subsequent Fixed Rate Period, the period commencing on the day immediately following the end of the immediately preceding Subsequent Fixed Rate Period and ending on and including December 31 in the fifth year thereafter.

“Successor” has the meaning attributed to it in Section 5.1.

“Tax Act” means the Income Tax Act (Canada), as amended.

“T-Bill Rate” means, for any Quarterly Floating Rate Period, the average yield expressed as a percentage per annum 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.

“Transfer Agent” means CST Trust Company, a trust company existing under the laws of Canada, or such other person as from time to time may be the registrar and transfer agent for the Series AA Shares.

14.2 Interpretation of Terms

In these Series AA share provisions:

(a) “accrued and unpaid dividends” means the aggregate of (i) all unpaid Series AA Dividends for any completed Dividend Period; and (ii) a cash amount calculated as though Series AA Dividends had been accruing on a day to day basis from but excluding the date on which the last quarterly dividend was payable up to and including the date to which the computation of accrued dividends is to be made;

(b) “in priority to”, “on a parity with” and “junior to” have reference to the order of priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs;

(c) in the event that any date on which any Series AA Dividend is payable by the Corporation, or any date on or by which any other action is required to be taken by the Corporation or the Holders hereunder, is not a business day (as hereinafter defined), then such dividend shall be payable, or such other action shall be required to be taken, on or by the next succeeding day that is a business day. A “business day” shall be a day other than a Saturday, a Sunday or any other day that is treated as a holiday in the province of Ontario;

(d) in the event of the non-receipt of a cheque by a Holder entitled to the cheque, or the loss or destruction of the cheque, the Corporation, on being furnished with reasonable evidence of non-receipt, loss or destruction, and an indemnity reasonably satisfactory to the Corporation, will issue to the Holder a replacement cheque for the amount of the original cheque;

(e) the Corporation will be entitled to deduct or withhold from any amount payable to a Holder under these Series AA share provisions any amount required by law to be deducted or withheld from that payment;

(f) reference to any statute is to that statute as in force from time to time, including any regulations, rules, policy statements or guidelines made under that statute, and includes any statute which may be enacted in substitution of that statute;

(g) if it is necessary to convert any amount into Canadian dollars, the directors will select an appropriate method and rate of exchange to convert any non-Canadian currency into Canadian dollars; and

(h) all references herein to a Holder shall be interpreted as referring to a registered Holder.

15. Book-Entry Only System

15.1 Transfers etc. Through Participants

If the Series AA Shares are held through the Book-Entry Only System, then the beneficial owner thereof shall provide instructions with respect to Series AA Shares only to the Depository participant through whom such beneficial owner holds such Series AA Shares and registrations of ownership, transfers, purchases, surrenders and exchanges of Series AA Shares will be made only through the Book-Entry Only System. Beneficial owners of Series AA Shares will not have the right to receive share certificates representing their ownership of the Series AA Shares.

15.2 Depository is Registered Holder

For the purposes of these Series AA share provisions, as long as the Depository, or its nominee, is the registered Holder of the Series AA Shares, the Depository, or its nominee, as the case may be, will be considered the sole Holder of the Series AA Shares for the purpose of receiving notices or payments on or in respect of the Series AA Shares, including payments of Series AA Dividends, the Redemption Price or accrued and unpaid dividends, and the delivery of Series BB Shares and certificates for those shares on the conversion into Series BB Shares.

Number and Designation of and Rights, Privileges, Restrictions and Conditions Attaching to the Class AAA Preference Shares, Series BB

29. Class AAA preference shares, Series BB. Brookfield Office Properties Inc. (the “Corporation”)

The twenty-eighth series of Class AAA Preference Shares of the Corporation shall consist of 12,000,000 Class AAA Preference Shares which shall be designated as Class AAA Preference Shares, Series BB (hereinafter referred to as the “Series BB Shares”) and which, in addition to the rights, privileges, restrictions and conditions attaching to the Class AAA Preference Shares as a class, shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Consideration for Issue

The consideration for the issue of each Series BB Share shall be \$25.00.

2. Dividends

2.1 Payment of Dividends

Holders of Series BB Shares (the “Holders”) shall be entitled to receive, and the Corporation shall pay thereon, as and when declared by the directors of the Corporation, out of moneys of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends (the “Series BB Dividends”) payable quarterly on the last day of March, June, September and December (each, a “Dividend Payment Date”) at the rates herein provided by cheque at par

in lawful money of Canada at any branch in Canada of the Corporation's bankers for the time being or by any other reasonable means the Corporation deems desirable.

(a) During each Quarterly Floating Rate Period, Series BB Dividends will be in an amount per share determined by multiplying the Floating Quarterly Dividend Rate applicable to such Quarterly Floating Rate Period by \$25.00, and shall be payable quarterly on each Dividend Payment Date during such Quarterly Floating Rate Period.

(b) The Corporation will calculate on each Floating Rate Calculation Date the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period and will, on the Floating Rate Calculation Date, give written notice thereof to the Holders. Each such determination by the Corporation of the Floating Quarterly Dividend Rate will, in the absence of manifest error, be final and binding upon the Corporation and upon all Holders.

2.2 Method of Payment

Series BB Dividends shall (except in case of redemption or conversion in which case payment of Series BB Dividends shall, subject to the provisions of Section 15, be made on surrender of the certificate representing the Series BB Shares to be redeemed or converted) be paid by sending to each Holder (in the manner provided for in Section 13) a cheque for such Series BB Dividends (less any tax required to be deducted and withheld by the Corporation) payable to the order of such Holder or, in the case of joint Holders, to the order of all such Holders failing written instructions from them to the contrary. The posting or delivery of such cheque on or before the date on which such dividend is to be paid to a Holder shall be deemed to be payment and shall satisfy and discharge all liabilities for the payment of such dividends to the extent of the sum represented thereby (plus the amount of any tax required to be and in fact deducted and withheld by the Corporation from the related dividends as aforesaid and remitted to the proper taxing authority) unless such cheque is not honoured when presented for payment. Subject to applicable law, dividends which are represented by a cheque that has not been presented to the Corporation's bankers for payment or that otherwise remain unclaimed for a period of six years from the date on which they were declared to be payable shall be forfeited to the Corporation.

2.3 Cumulative Payment of Dividends

If on any Dividend Payment Date, the Series BB Dividends accrued to such date are not paid in full on all of the Series BB Shares then outstanding, such Series BB Dividends, or the unpaid part thereof, shall be paid on a subsequent date or dates determined by the directors on which the Corporation shall have sufficient monies properly applicable to the payment of such Series BB Dividends. The Holders shall not be entitled to any dividends other than or in excess of the Series BB Dividends.

2.4 Dividend for Other than a Full Quarterly Floating Rate Period

The Holders shall be entitled to receive, and the Corporation shall pay thereon, if, as and when declared by the directors, out of moneys of the Corporation properly applicable to the payment of dividends, Series BB Dividends for any period which is less than a full Quarterly Floating Rate Period, a dividend in an amount per Series BB Share equal to the amount obtained (rounded to five decimal places) when the product of the Floating Quarterly Dividend Rate and \$25.00 is multiplied by a fraction, the numerator of which is the number of calendar days in the relevant period (which shall include the first and last day of such period) and the denominator of which is the number of calendar days in the year in which such period falls.

3. Redemption

3.1 Optional Redemption

The Corporation may not redeem any of the Series BB Shares prior to December 31, 2019. Thereafter, the Corporation may, subject to the terms of any shares ranking prior to the Series BB Shares, to applicable law and to the provisions described under Section 6 below, upon giving notice as hereinafter provided, at its option and at any time without the consent of the Holders, redeem all, or from time to time any part, of the then outstanding Series BB Shares by the payment of an amount in cash for each Series BB Share so redeemed equal to (i) \$25.00 in the case of redemptions on December 31, 2024 and on December 31 every five years thereafter (each a "Series BB Conversion Date"), or (ii) \$25.50 in the case of redemptions on any date which is not a Series BB Conversion Date on or after December 31, 2019 in each case including all accrued and unpaid Series BB Dividends up to but excluding the date fixed for redemption (the "Redemption Price") (less any tax required to be deducted and withheld by the Corporation).

3.2 Partial Redemption

If less than all of the then outstanding Series BB Shares are at any time to be redeemed, then the particular Series BB Shares to be redeemed shall be selected on a pro rata basis disregarding fractions or, with the consent of the Toronto Stock Exchange, if the Series BB Shares are at such time listed on such exchange, in such manner as the directors in their sole discretion may, by resolution, determine.

3.3 Method of Redemption

The Corporation shall give notice in writing not less than 30 days nor more than 60 days prior to the applicable Series BB Conversion Date of its intention to redeem such Series BB Shares to each person who at the date of giving such notice is the Holder of Series BB Shares to be redeemed. Any such notice shall be validly and effectively given on the date on which it is sent to each Holder of Series BB Shares to be redeemed in the manner provided for in Section 13. Such notice shall set out the number of such Series BB Shares held by the person to whom it is addressed which are to be redeemed and the Redemption Price and shall also set out the date on which the redemption is to take place. On and after the date so

specified for redemption, the Corporation shall pay or cause to be paid to the Holders to be redeemed the Redemption Price (less any tax required to be deducted and withheld by the Corporation) on presentation and surrender, at any place within Canada designated by such notice, of the certificate or certificates for such Series BB Shares so called for redemption, subject to the provisions of Section 15. Such payment shall be made by cheque in the amount of the Redemption Price (less any tax required to be and in fact deducted and withheld by the Corporation and remitted to the proper taxing authority) payable at par at any branch in Canada of the Corporation's bankers for the time being or by any other reasonable means that the Corporation deems desirable and the delivery of such cheque in such amount shall be a full and complete discharge of the Corporation's obligation to pay the Redemption Price owed to the Holders of Series BB Shares so called for redemption to the extent of the sum represented thereby (plus the amount of any tax required to be and in fact deducted and withheld by the Corporation and remitted to the proper taxing authority) unless the cheque is not honoured when presented for payment. From and after the date specified in any such notice, the Series BB Shares called for redemption shall cease to be entitled to Series BB Dividends and the Holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof, except to receive the Redemption Price therefor (less any tax required to be deducted and withheld by the Corporation), unless payment of the Redemption Price shall not be duly made by the Corporation. At any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the Redemption Price of any or all Series BB Shares called for redemption (less any tax required to be deducted and withheld by the Corporation), or such part thereof as at the time of deposit has not been claimed by the Holders entitled thereto, with any chartered bank or banks or with any trust company or trust companies in Canada named in the notice of redemption to the credit of a special account or accounts in trust for the respective Holders of such shares, to be paid to them respectively upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same, subject to the provisions of Section 15. Upon such deposit or deposits being made, such shares shall be redeemed on the redemption date specified in the notice of redemption. After the Corporation has made a deposit as aforesaid with respect to any shares, the Holders thereof shall not, from and after the redemption date, be entitled to exercise any of the rights of shareholders in respect thereof and the rights of the Holders thereof shall be limited to receiving a proportion of the amounts so deposited applicable to such shares, without interest. Any interest allowed on such deposit shall belong to the Corporation. Subject to applicable law, redemption monies that are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remain unclaimed (including monies held in deposit as provided for above) for a period of six years from the date specified for redemption shall be forfeited to the Corporation.

4. Conversion of Series BB Shares

4.1 Conversion at the Option of the Holder

(a) Subject to applicable law and the terms and provisions hereof, Holders will have the right, at their option, on each Series BB Conversion Date, to convert all, or any part of, the then outstanding Series BB Shares registered in the name of the Holder into Class AAA Preference Shares, Series AA ("Series AA Shares") on the basis of one (1) Series AA Share for each Series BB Share. The Corporation shall provide written notice not less than 30 and not more than 60 days prior to the applicable Series BB Conversion Date to the Holders of the conversion privilege provided for herein (the "Conversion Privilege"). Such notice shall (i) set out the Series BB Conversion Date, and (ii) include instructions to such Holders as to the method by which such Conversion Privilege may be exercised, as described in Section 4.3. On the 30th day prior to each Series BB Conversion Date, the Corporation will provide to the Holders written notice of the Floating Quarterly Dividend Rate applicable to the Series BB Shares for the next succeeding Quarterly Floating Rate Period and the Annual Fixed Dividend Rate applicable to the Series AA Shares for the next succeeding Subsequent Fixed Rate Period, in each case as determined by the Corporation.

(b) If the Corporation gives notice as provided in Section 3 to the Holders of the redemption of all the Series BB Shares, the Corporation will not be required to give notice as provided in this Section 4.1 to the Holders of the Floating Quarterly Dividend Rate, Annual Fixed Dividend Rate or Conversion Privilege and the right of any Holder to convert Series BB Shares as herein provided shall cease and terminate in that event.

(c) Holders shall not be entitled to convert their shares into Series AA Shares on a Series BB Conversion Date if the Corporation determines that there would remain outstanding on the Series BB Conversion Date less than 1,000,000 Series AA Shares after taking into account all Series BB Shares tendered for conversion into Series AA Shares and all Series AA Shares tendered for conversion into Series BB Shares. The Corporation shall give written notice thereof to all affected Holders at least seven (7) days prior to the applicable Series BB Conversion Date and, subject to the provisions of Section 15, shall issue and deliver, or cause to be delivered, prior to such Series BB Conversion Date, at the expense of the Corporation, to the Holders who have surrendered for conversion any endorsed certificate or certificates representing Series BB Shares new certificates representing the Series BB Shares represented by any certificate or certificates surrendered as aforesaid.

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