



Certificate of Amendment

Canada Business Corporations Act

Certificat de modification

Loi canadienne sur les sociétés par actions

Hudson's Bay Company
Compagnie de la Baie D'Hudson

Corporate name / Dénomination sociale

917253-0

Corporation number / Numéro de société

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

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

Virginie Ethier

Director / Directeur

2017-12-06

Date of amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



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

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

-
- 1 Corporate name
Dénomination sociale
Hudson's Bay Company
Compagnie de la Baie D'Hudson
-
- 2 Corporation number
Numéro de la société
917253-0
-
- 3 The articles are amended as follows
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

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

Original signed by / Original signé par
David Schwartz
David Schwartz
646-802-8870

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

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

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

ARTICLES OF AMENDMENT

PROVISIONS ATTACHING TO THE SERIES A CONVERTIBLE PREFERRED SHARES

To increase the authorized capital of the Corporation by creating a first series of preferred shares of the Corporation which shall consist of 50,919,608 shares designated as the “Series A Convertible Preferred Shares” (the “**Convertible Preferred Shares**”, and each, a “**Convertible Preferred Share**”). In addition to the rights, privileges, restrictions and conditions attaching to the preferred shares as a class, the Convertible Preferred Shares shall have the following rights, privileges, restrictions and conditions. Capitalized terms not defined where used shall have the meanings ascribed to such terms in SECTION 8.

SECTION 1. Liquidation Preference.

(a) In the event of liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or upon any other return of capital or distribution of the assets of the Corporation among its shareholders, in each case for the purposes of winding up its affairs, each Convertible Preferred Share entitles the holder thereof to receive and to be paid out of the assets of the Corporation available for distribution, before any distribution or payment may be made to a holder of any Common Shares or any other shares ranking junior in such liquidation, dissolution or winding up to the Convertible Preferred Shares, an amount per Convertible Preferred Share equal to the greater of (i) the Liquidation Preference, and (ii) and the amount such holder would have received had they instead converted such Convertible Preferred Share in accordance with SECTION 1(c).

(b) The “**Liquidation Preference**” per Convertible Preferred Share shall initially be equal to the Original Purchase Price. From and after the Original Issuance Date, the Liquidation Preference of each Convertible Preferred Share shall automatically increase on a daily basis, on the basis of a 360 day year consisting of twelve 30 day months, at a rate of 5% per annum (the “**Accretion Rate**”) of the then-applicable Liquidation Preference, the amount of which increase shall compound quarterly on each March 31, June 30, September 30 and December 31 (each, a “**Quarterly Compounding Date**”). The Liquidation Preference shall be proportionally adjusted for any splits, combinations and similar events on the Convertible Preferred Shares.

(c) For greater certainty, prior to any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or upon any other return of capital or distribution of the assets of the Corporation among its shareholders, in each case for the purposes of winding up its affairs, each holder of Convertible Preferred Shares is entitled pursuant to SECTION 7(a), for a period of ten (10) Business Days following receipt of the written notice of such liquidation, dissolution or winding up in accordance with SECTION 7(g)(iv), to convert any or all outstanding Convertible Preferred Shares held by such holder into, for each Convertible Preferred Share held, a number of duly authorized, validly issued, fully paid and non-assessable Common Shares equal to the then-applicable Conversion Amount and, subsequent to such conversion, such holder shall no longer be entitled to receive the Liquidation Preference with respect to any so converted Convertible Preferred Shares.

(d) After payment to the holders of the Convertible Preferred Shares of the full Liquidation Preference to which they are entitled in respect of outstanding Convertible Preferred Shares (which, for greater certainty, have not been converted prior to such payment), such Convertible Preferred Shares will have no further right or claim to any of the assets of the Corporation.

(e) The Liquidation Preference shall be payable to holders of Convertible Preferred Shares in cash; *provided, however*, that to the extent the Corporation has, having exercised commercial

reasonable efforts to make such payment, insufficient cash available to pay the Liquidation Preference in full in cash, the portion of the Liquidation Preference with respect to which the Corporation has insufficient cash may be paid in property or other assets of the Corporation. The value of any property or assets not consisting of cash that is distributed by the Corporation in satisfaction of any portion of the Liquidation Preference will equal the Fair Market Value thereof on the date of distribution.

SECTION 2. Voting Rights. The holders of the Convertible Preferred Shares are entitled to receive notice of, attend and vote (in person or by proxy) at all meetings of the shareholders of the Corporation, except where holders of another class or series are entitled to vote separately as a class or series as provided in the Canada Business Corporations Act, applicable securities laws or the rules of any applicable Exchange. Except as otherwise required by law, the holders of the Convertible Preferred Shares and the Common Shares will vote together as a single class on all matters submitted to a vote of the shareholders of the Corporation. The Convertible Preferred Shares shall confer the right to one (1) vote for each Convertible Preferred Share held at all such meetings of shareholders of the Corporation. The holders of the Convertible Preferred Shares shall not be entitled to vote separately as a class or series or to dissent upon a proposal to amend the articles of the Corporation to: (a) increase or decrease any maximum number of authorized Convertible Preferred Shares, or increase any maximum number of authorized shares of a class having rights or privileges equal or superior to the Convertible Preferred Shares; or (b) effect an exchange, reclassification or cancellation of the Convertible Preferred Shares; or (c) create a new class of shares equal or superior to the Convertible Preferred Shares. Each holder of Convertible Preferred Shares shall be deemed to hold, for the sole purpose of voting at any meeting of shareholders of the Corporation at which such holder is entitled to vote, the number of Convertible Preferred Shares equal to the number of whole Common Shares into which such holder's registered Convertible Preferred Shares are convertible pursuant to these share provisions as of the record date for the determination of shareholders entitled to vote at such shareholders meeting or, if no such record date is established, the date such vote is taken or any written resolution of shareholders is solicited.

SECTION 3. Dividends. The holders of Convertible Preferred Shares shall be entitled to receive only such dividends on the Convertible Preferred Shares, if any, as are expressly declared thereon by the Board of Directors, and shall not be entitled to any other dividends. The holders of Convertible Preferred Shares shall not have the right to receive any dividends that are declared only with respect to the Common Shares, and nothing in these Articles of Amendment will restrict the declaration or payment of any dividends on the Common Shares to the exclusion of the Convertible Preferred Shares, provided, however, that the Corporation complies with the provisions of SECTION 7(f)(iii) in respect of an adjustment to the Conversion Price in connection with any such dividend.

SECTION 4. Purchase for Cancellation. Subject to such provisions of the *Canada Business Corporations Act* as may be applicable, the Corporation may at any time or times purchase (if obtainable) for cancellation all or any part of the Convertible Preferred Shares outstanding from time to time in one or more negotiated transactions at such price or prices as are determined by the Board of Directors and as may be agreed to with the relevant holders of the Convertible Preferred Shares. From and after the date of purchase of any Convertible Preferred Shares under the provisions of this SECTION 4, any shares so purchased shall be cancelled.

SECTION 5. **[RESERVED]**

SECTION 6. Redemption in Connection with a Change of Control Transaction.

(a) Except as expressly set out in this SECTION 6, the Corporation may not redeem any of the Convertible Preferred Shares.

(b) If any of the following events (any such event, a “**Change of Control Transaction**”):

- (1) any Capital Reorganization; or
- (2) any take-over bid (a “**Take-Over Bid**”) for the Common Shares made in accordance with applicable securities law;

occurs and results (or upon a completion would result) in a Change of Control, then for greater certainty each holder of Convertible Preferred Shares is entitled to convert, including prior to the occurrence of the Change of Control and in order to participate therein as a holder of Common Shares, at the option and election of such holder, any or all of the outstanding Convertible Preferred Shares held by such holder into Common Shares pursuant to SECTION 7(a).

Following the effective date of a Change of Control, the Corporation shall have the right to redeem for cash all (but not less than all) of the then outstanding Convertible Preferred Shares at a price (the “**Redemption Price**”) per Convertible Preferred Share equal to the greater of (i) the Liquidation Preference, and (ii) the Fair Market Value of the consideration such holder would have received had such holder converted its Convertible Preferred Shares in accordance with SECTION 7(a) immediately prior to such Change of Control (provided that if the Redemption Date occurs prior to the third anniversary of the Original Issuance Date then the Liquidation Preference shall be calculated as at the third anniversary of the Original Issuance Date with respect to the application of both the Accretion Rate and quarterly compounding per such Convertible Preferred Share) on the date (“**Redemption Date**”) that is twenty (20) Business Days following the date of the Change of Control. The Corporation shall provide written notice (the “**Redemption Notice**”) of such redemption pursuant to this SECTION 6(b), on or prior to the fifth (5th) Business Day following the date of the Change of Control to the holders of record of the Convertible Preferred Shares as they appear in the records of the Corporation. The Redemption Notice must state: (A) the Redemption Price as of the Redemption Date, and the calculations supporting the specified Redemption Price; and (B) the name and address of the place to where the Convertible Preferred Shares are to be surrendered for payment of the Redemption Price. The Corporation shall, on the Redemption Date, pay the applicable Redemption Price, upon surrender of the certificates representing the Convertible Preferred Shares to be redeemed. Convertible Preferred Shares to be redeemed on the Redemption Date will, from and after such date, no longer be outstanding; and the rights, privileges, restrictions and conditions attaching to the Convertible Preferred Shares (except the right to receive from the Corporation the applicable Redemption Price) shall cease and terminate with respect to such shares; provided, that in the event that a Convertible Preferred Share is not redeemed due to a default in payment by the Corporation, such Convertible Preferred Share will remain outstanding and will be entitled to all rights, privileges, restrictions and conditions attaching to the Convertible Preferred Shares as provided herein (including continued increases in Liquidation Preference at the Accretion Rate; subject to a default rate increase of an additional 2% from the date of the default in payment). For greater certainty, the holders of the Convertible Preferred Shares may, at any time prior to the Redemption Date, elect to convert any or all of their Convertible Preferred Shares pursuant to SECTION 7(a). To the extent the Convertible Preferred Shares are not redeemed or converted in connection with a Change of Control Transaction in accordance with this SECTION 6(b), such Convertible Preferred Shares shall remain outstanding in accordance with their terms following such Change of Control Transaction (subject any adjustments as may be required pursuant to SECTION 7(f)(vii)).

SECTION 7. Conversion.

Each Convertible Preferred Share is convertible into Common Shares as provided in this SECTION 7.

(a) Conversion at the Option of Holders of Convertible Preferred Shares. Each holder of Convertible Preferred Shares is entitled to convert, at any time and from time to time, at the option and election of such holder, any or all outstanding Convertible Preferred Shares held by such holder into a number of duly authorized, validly issued, fully paid and non-assessable Common Shares equal to the number (the “**Conversion Amount**”) determined per each Convertible Preferred Share so converted by dividing (i) the Liquidation Preference (as adjusted pursuant to SECTION 1(b) to the date immediately preceding the Conversion Date) for each Convertible Preferred Share to be converted by (ii) the Conversion Price (which Conversion Price shall be adjusted from time to time as provided in SECTION 7(f)) in effect on the Conversion Date. The “**Conversion Price**” is initially US\$9.8194, as adjusted from time to time as provided in SECTION 7(f). In order to convert the Convertible Preferred Shares into Common Shares pursuant to this SECTION 7(a), the holder must surrender the certificates representing such Convertible Preferred Shares, accompanied by transfer instruments reasonably satisfactory to the Corporation, free of any adverse interest or liens at the office of the Corporation or its transfer agent for the Convertible Preferred Shares (as directed by the Corporation), together with the prescribed form of written notice, set forth on the Convertible Preferred Share certificates, that such holder elects to convert all or such number of shares represented by such certificates as specified therein.

(b) Conversion at the Option of the Corporation and Automatic Conversion.

(i) On and after the three year anniversary of the Original Issuance Date, at the Corporation’s option and election and upon its compliance with this SECTION 7(b)(i), all (but not less than all) outstanding Convertible Preferred Shares shall be converted into a number of duly authorized, validly issued, fully paid and non-assessable Common Shares equal to the then-applicable Conversion Amount per each Convertible Preferred Share so converted, upon written notice by the Corporation to the holders of Convertible Preferred Shares notifying such holders of the conversion contemplated by this SECTION 7(b)(i), which conversion shall occur on the tenth (10th) Business Day following the date of such notice, which Conversion Date shall be specified in such notice, provided, that such notice may be delivered by the Corporation (and such Convertible Preferred Shares may be converted into Common Shares pursuant to this SECTION 7(b)(i)) only if the Closing Price (or, if the Closing Price on any Trading Day is quoted only in Canadian dollars, the USD Equivalent Amount thereof on such Trading Day) per Common Share for forty-five (45) Trading Days during any period of sixty (60) consecutive Trading Days ending not more than five (5) Business Days before the date on which such notice is delivered by the Corporation was equal to or greater than 125% of the then-applicable Conversion Price.

(ii) On and after the six year anniversary of the Original Issuance Date, at the Corporation’s option and election and upon its compliance with this SECTION 7(b)(ii), all (but not less than all) outstanding Convertible Preferred Shares shall be converted into a number of duly authorized, validly issued, fully paid and non-assessable Common Shares equal to the Conversion Amount per each Convertible Preferred Share so converted, upon written notice by the Corporation to the holders of Convertible Preferred Shares notifying such holders of the conversion contemplated by this SECTION 7(b)(ii), which conversion shall occur on the tenth (10th) Business Day following the date of such notice, which Conversion Date shall be specified in such notice, provided, that such notice may be delivered by the Corporation (and such Convertible Preferred Shares may be converted into Common Shares pursuant to this SECTION 7(b)(ii)) only if the Closing Price (or, if the Closing Price on any Trading Day is quoted only in Canadian dollars, the USD Equivalent Amount thereof on such Trading Day) per Common Share for forty-five (45) Trading Days during any period of sixty (60) consecutive Trading Days ending not more than five (5) Business Days before the

date on which such notice is delivered by the Corporation was equal to or greater than 100% of the then-applicable Conversion Price.

(iii) On the eight (8) year anniversary of the Original Issuance Date all Convertible Preferred Shares then remaining outstanding shall be converted automatically into a number of duly authorized, validly issued, fully paid and non-assessable Common Shares equal to the Conversion Amount on such date per each Convertible Preferred Share so converted.

(c) Fractional Shares. No fractional Common Shares will be issued upon conversion of the Convertible Preferred Shares. In lieu of fractional shares the Corporation shall, subject to the last sentence hereof, round down to the next whole number, the number of Common Shares to be issued upon conversion of the Convertible Preferred Shares. If more than one Convertible Preferred Share is being converted at one time by or for the benefit of the same holder, then the number of full Common Shares issuable upon conversion will be calculated on the basis of the aggregate number of Convertible Preferred Shares converted by or for the benefit of such holder at such time, and if all of the Convertible Preferred Shares held by a holder are being converted at the same time, then the number of full Common Shares issuable upon conversion will be calculated on the basis of the aggregate number of Convertible Preferred Shares converted by or for the benefit of such holder at such time, with any resulting fractional entitlement being rounded to the nearest whole number.

(d) Mechanics of Conversion.

(i) Promptly after the Conversion Date, the Corporation shall issue and deliver to each holder of Convertible Preferred Shares the number of Common Shares to which such holder is entitled in exchange for the certificates formerly representing Convertible Preferred Shares. Such conversion will be deemed to have been made on the Conversion Date, and the person entitled to receive the Common Shares issuable upon such conversion shall be treated for all purposes as the record holder of such Common Shares on such Conversion Date. In case fewer than all the Convertible Preferred Shares represented by any certificate are to be converted, a new certificate shall be issued representing the unconverted Convertible Preferred Shares without cost to the holder thereof, except for any documentary, stamp or similar issue or transfer tax due because any certificates for Common Shares or Convertible Preferred Shares are issued in a name other than the name of the converting holder. The Corporation shall pay any documentary, stamp or similar issue or transfer tax due on the issue of Common Shares upon conversion or due upon the issuance of a new certificate for any Convertible Preferred Shares not converted other than any such tax due because Common Shares or a certificate for Convertible Preferred Shares are issued in a name other than the name of the converting holder, which shall be paid by the converting holder.

(ii) From and after the Conversion Date, the Convertible Preferred Shares to be converted on such Conversion Date will no longer be outstanding, and all rights and privileges of the holder thereof as a holder of Convertible Preferred Shares (except the right to receive from the Corporation the Common Shares upon conversion) shall cease and terminate with respect to such shares.

(iii) All Common Shares issued upon conversion of the Convertible Preferred Shares will, upon issuance by the Corporation, be duly and validly issued, as fully paid and non-assessable Common Shares in the capital of the Corporation.

(e) **[RESERVED]**

(f) Adjustments to Conversion Price.

(i) Adjustments for Change in Share Capital.

(A) *Adjustments for Common Shares.* If the Corporation shall, at any time and from time to time while any Convertible Preferred Shares are outstanding, issue a dividend or make a distribution on its Common Shares payable in Common Shares to all or substantially all holders of its Common Shares, then the then-applicable Conversion Price at the opening of business on the Ex-Dividend Date for such dividend or distribution will be adjusted in accordance with the following formula:

$$CP_1 = CP_0 \times \frac{OS_0}{OS_1}$$

where

CP_0 = the Conversion Price in effect immediately prior to the opening of business on the Ex-Dividend Date for such dividend or distribution;

CP_1 = the Conversion Price in effect immediately after the open of business on the Ex-Dividend Date for such dividend or distribution;

OS_0 = number of Common Shares outstanding at the close of business on the Business Day immediately preceding such Ex-Dividend Date; and

OS_1 = the sum of the number of Common Shares outstanding at the close of business on the Business Day immediately preceding the Ex-Dividend Date for such dividend or distribution, plus the total number of Common Shares constituting such dividend or other distribution.

Any adjustment to the Conversion Price made pursuant to this SECTION 7(f)(i)(A) shall become effective immediately after the opening of business on the Ex-Dividend Date for such dividend or distribution. If any dividend or distribution of the type described in this SECTION 7(f)(i)(A) is declared but not so paid or made, the Conversion Price shall again be adjusted to the Conversion Price which would then be in effect if such dividend or distribution had not been declared.

(B) *Adjustments for share splits and combinations.* If the Corporation shall, at any time or from time to time while any of the Convertible Preferred Shares are outstanding, subdivide or reclassify its outstanding Common Shares into a greater number of Common Shares, then the then-applicable Conversion Price in effect at the opening of business on the day upon which such subdivision or reclassification becomes effective shall be proportionately decreased, and conversely, if the Corporation shall, at any time or from time to time while any of the Convertible Preferred Shares are outstanding, combine or reclassify its outstanding Common Shares into a smaller number of Common Shares, then the then-applicable Conversion Price in effect at the opening of business on the day upon which such combination or reclassification becomes effective shall be proportionately increased. In each such case, the Conversion Price shall be adjusted in accordance with the following formula:

$$CP_1 = CP_0 \times \frac{OS_0}{OS_1}$$

where,

CP_0 = the Conversion Price in effect immediately prior to the open of business on the effective date of such subdivision, combination or reclassification, as the case may be;

CP_1 = the Conversion Price in effect immediately after the open of business on the effective date of such subdivision, combination or reclassification, as the case may be;

OS_0 = the number of Common Shares outstanding immediately before giving effect to such subdivision, combination or reclassification; and

OS_1 = the number of Common Shares outstanding immediately after giving effect to such subdivision, combination or reclassification.

Any adjustment to the Conversion Price made pursuant to this SECTION 7(f)(i)(B) shall become effective immediately after the open of business on the effective date of such subdivision, combination or reclassification becomes effective.

(ii) *Adjustments for certain rights, options and warrants.* If the Corporation shall, at any time or from time to time, while any Convertible Preferred Shares are outstanding, distribute rights, options or warrants to all or substantially all holders of its Common Shares entitling them, for a period expiring not more than sixty (60) days immediately following the record date of such distribution, to purchase or subscribe for Common Shares, or securities convertible into, or exchangeable or exercisable for, Common Shares, in either case, at less than the average of the Closing Prices (if the Closing Price on any Trading Day is quoted only in Canadian dollars, the USD Equivalent Amount thereof on such Trading Day) for the ten (10) consecutive Trading Days immediately preceding the date of the first public announcement of the distribution, then the then-applicable Conversion Price shall be adjusted in accordance with the following formula:

$$CP_1 = CP_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where,

CP_0 = the Conversion Price in effect immediately prior to the opening of business on the Ex-Dividend Date for such distribution;

CP_1 = the Conversion Price in effect immediately after the opening of business on the Ex-Dividend Date for such distribution;

OS_0 = the number of Common Shares deemed to be outstanding immediately prior to the open of business on the Ex-Dividend Date for such distribution on a fully diluted basis, including on the conversion, exercise or exchange of any convertible, exercisable or exchangeable securities;

X = the number of Common Shares equal to the aggregate price payable to exercise such rights, options or warrants, divided by the average of the Closing Prices of the Common Shares over the ten (10) consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of the first public announcement of the distribution of such rights, options or warrants;

Y = the total number of additional Common Shares issuable pursuant to such rights, options or warrants.

Any adjustment to the Conversion Price made pursuant to this SECTION 7(f)(ii) shall become effective immediately after the opening of business on the Ex-Dividend Date for such distribution.

To the extent that such rights, options or warrants are not exercised prior to their expiration or Common Shares are otherwise not delivered pursuant to such rights, options or warrants upon the exercise of such rights or warrants, the Conversion Price shall be readjusted to such Conversion Price that would have then been in effect had the adjustment made upon the issuance of such rights, options or warrants been made on the basis of the delivery of only the number of Common Shares actually delivered. If such rights, options or warrants are only exercisable upon the occurrence of certain triggering events, then the Conversion Price shall not be adjusted until such triggering events occur. In determining the aggregate offering price payable for such shares of Common Shares, the Corporation shall take into account the Fair Market Value of any consideration (if other than cash) received for such rights, options or warrants and the Fair Market Value of any consideration (if other than cash) paid or payable upon the exercise of such rights, options or warrants.

(iii) *Adjustments for Payment of Cash Dividends.* If the Corporation shall, at any time and from time to time while any Convertible Preferred Shares are outstanding, declare a cash dividend (including any ordinary course and special cash dividends) on its Common Shares payable to all or substantially all holders of its Common Shares, then the then-applicable Conversion Price at the opening of business on the Ex-Dividend Date for such dividend will be adjusted in accordance with the following formula:

$$CP_1 = CP_0 \times \frac{(SP_0 - C)}{SP_0}$$

where,

CP_0 = the Conversion Price in effect immediately prior to the opening of business on the Ex-Dividend Date for such dividend;

CP_1 = the Conversion Price in effect immediately after the opening of business on the Ex-Dividend Date for such dividend;

SP_0 = the Current Market Price of the Common Shares on the Business Day immediately preceding such Ex-Dividend Date; and

C = the amount in cash per Common Share the Corporation distributes to all or substantially all holders of the Common Shares (which cash dividend, if payable

in Canadian dollars, shall be converted into the USD Equivalent Amount of such dividend as of the Business Day immediately preceding such Ex-Dividend Date).

Any adjustment to the Conversion Price made pursuant to this SECTION 7(f)(iii) shall become effective immediately after the opening of business on the Ex-Dividend Date for such dividend.

If any dividend of the type described in this SECTION 7(f)(iii) is declared but not so paid or made, the Conversion Price shall again be adjusted to the Conversion Price which would then be in effect if such dividend had not been declared.

Notwithstanding the foregoing, if “C” (as defined above) is equal to or greater than “SP₀” (as defined above), in lieu of the foregoing increase, each holder of Convertible Preferred Shares shall receive at the same time and upon the same terms as holders of Common Shares, the amount of cash as a dividend on the Convertible Preferred Shares that such holder would have received if such holder owned a number of Common Shares at the Conversion Price in effect immediately prior to the opening of business on the Ex-Dividend Date for such cash dividend or distribution.

(iv) *[RESERVED]*

(v) *Adjustments for certain distributions.* If the Corporation shall, at any time and from time to time while any Convertible Preferred Shares are outstanding, distribute to all or substantially all holders of Common Shares evidences of indebtedness, shares of capital stock, securities, cash or other assets (excluding any such distribution otherwise contemplated in SECTION 7(f)(i), (ii), or (iii) SECTION 7(f)(i) or in the case of a spin-off transaction as contemplated below in this SECTION 7(f)(v)), then the then-applicable Conversion Price at the opening of business on the Ex-Dividend Date for such distribution will be adjusted by multiplying such then-applicable Conversion Price by the following fraction:

$$\frac{(SP_0 - FMV)}{SP_0}$$

where,

SP₀ = the aggregate Current Market Price of the Common Shares issuable upon conversion of one Convertible Preferred Share; and

FMV = the Fair Market Value of the portion of the distribution applicable to one Convertible Preferred Share on such date.

In a “spin-off,” where the Corporation makes a distribution to all holders of Common Shares consisting of capital stock of any class or series, or similar equity interests of, or relating to, a subsidiary of the Corporation or other business unit, the Conversion Price will be adjusted on the fifteenth Business Day after the effective date of the distribution by multiplying the then-applicable Conversion Price in effect immediately prior to such fifteenth Business Day by the following fraction:

$$\frac{MP_0}{(MP_0 + MP_s)}$$

MP₀ = the Current Market Price of the Common Shares on the Business Day immediately preceding such Ex-Dividend Date for the “spin-off” aggregated for all Common Shares issuable upon conversion of one Convertible Preferred Share; and

MP_s = the Fair Market Value of the portion of the distribution applicable to one Convertible Preferred Share on such date.

In the event that such distribution described in this SECTION 7(f)(v) is not so paid or made, the Conversion Price shall be readjusted, effective as of the date the Board of Directors publicly announces its decision not to pay or make such distribution, to the Conversion Price that would then be in effect if such distribution had not been announced.

(vi) *Adjustments for Certain Issuances of Additional Common Shares.*

(A) In the event the Corporation shall after the Original Issuance Date and on and before the one year *anniversary* of the Original Issuance Date issue Additional Common Shares (or shall have entered into a binding definitive agreement to issue Additional Common Shares), without consideration or for consideration (with any Canadian dollar consideration being converted into US dollars at an exchange rate of C\$1.2644 to US\$1.00, if necessary) per Common Share less than the applicable Conversion Price immediately prior to such issuance, then and in such event, the then-applicable Conversion Price shall be reduced, concurrently with such issuance, to a price that is equal to the consideration per share received by the Corporation for such issuance or deemed issuance of Additional Common Shares; provided that if such issuance or deemed issuance was without consideration, then the Corporation shall be deemed to have received an aggregate of \$0.01 of consideration for all such Common Shares (or securities convertible or exchangeable into Common Shares) issued or deemed to be issued.

(B) For purposes of this SECTION 7(f)(vi), the term “**Additional Common Shares**” means any Common Shares or Convertible Securities (collectively, “**Common Share Equivalents**”) issued by the Corporation after the Original Issuance Date and on or prior to the one year anniversary of the Original Issuance Date (or are issued pursuant to a binding definitive agreement executed during such period), provided that Additional Common Shares will not include any of the following:

(1) Common Share Equivalents issued or issuable upon conversion of Convertible Preferred Shares or pursuant to the terms of any other Convertible Security issued and outstanding on the Original Issuance Date;

(2) Any Common Shares or Common Share Equivalents issued or issuable pursuant to or under any equity incentive grants, plans, programs or similar arrangements adopted by the Corporation, including the Corporation’s (i) Amended and Restated Stock Option Plan, (ii) Amended and Restated Restricted Share Unit Plan, and (iii) Amended and Restated 2007 Stock Incentive Plan, as amended, of Gilt Groupe Holdings, Inc.;

(3) Common Share Equivalents issued or issuable as full or partial consideration for acquisitions of any entities, businesses and/or related assets or other business combinations by the Corporation or any of its subsidiaries, whether by merger, consolidation, sale of assets, sale or exchange of stock or otherwise (but, for the avoidance of doubt, not including any securities sold to finance or fund all or part of any cash consideration payable in connection with any such transaction); or

(4) Common Share Equivalents issued or issuable in an aggregate amount equal to less than one percent (1%) of the total issued and outstanding Common Shares on the Original Issuance Date for all issuances in the aggregate pursuant to this clause (4), after taking into account any subdivisions, combinations or reclassifications thereof, and assuming the conversion of all outstanding Convertible Preferred Shares into Common Shares after taking into account any adjustments to the Conversion Price from time to time pursuant to the terms of this SECTION 7 and any increases to the Liquidation Preference from time to time.

In the case of the issuance of Additional Common Shares for cash, the consideration shall be deemed to be the amount of cash paid (with any Canadian dollar consideration being converted into US dollars at an exchange rate of C\$1.2644 to US\$1.00, if necessary) therefor before deducting any discounts, commissions or other expenses allowed, paid or incurred by the Corporation for any underwriting or otherwise in connection with the issuance and sale thereof. In the case of the issuance of Additional Common Shares for consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the Fair Market Value thereof. In the case of the issuance of Convertible Securities, the aggregate maximum number of Common Shares deliverable upon exercise, conversion or exchange of such Convertible Securities shall be deemed to have been issued at the time such Convertible Securities were issued and for a consideration equal to the consideration (determined in the manner provided in this paragraph) if any, received by the Corporation upon the issuance of such Convertible Securities plus the minimum additional consideration payable pursuant to the terms of such Convertible Securities for the Common Shares covered thereby, but no further adjustment shall be made for the actual issuance of Common Shares upon the exercise, conversion or exchange of any such Convertible Securities. Upon the expiration or forfeiture of any Additional Common Shares consisting of options, warrants or other rights to acquire Common Shares or Convertible Securities, the termination of any such rights to convert or exchange or the expiration or forfeiture of any options or rights related to such convertible or exchangeable securities, the Conversion Price, to the extent in any way affected by or computed using such options, rights or securities or options or rights related to such securities, shall be recomputed to reflect the issuance of only the number of Common Shares (and Convertible Securities that remain in effect) actually issued upon the exercise of such options, warrants or rights, upon the conversion or exchange of such securities or upon the exercise of the options or rights related to such securities.

(vii) *Capital Reorganization Events.* In the case of: (A) any recapitalization, reclassification or change of the Common Shares (other than changes resulting from a subdivision or combination), (B) any consolidation, merger, amalgamation or combination involving the Corporation, (C) any sale, lease or other transfer to a third party of the consolidated assets of the Corporation and its subsidiaries substantially as an entirety, or (D) any statutory share exchange, as a result of which the Common Shares are converted into, or exchanged for, shares, other securities, other property or assets (including cash or any combination thereof) (any such transaction or event, a “**Capital Reorganization**”), then, at and after the effective time of such Capital Reorganization, the right to exchange each Convertible Preferred Share shall be changed into a right to exchange such share into the kind and amount of shares, other securities or other property or assets (or any combination thereof) that a holder of a number of Common Shares equal to the Conversion Amount (with respect to such Convertible Preferred Share) immediately prior to such Capital Reorganization would have owned or been entitled to receive upon such Capital Reorganization (such shares, securities or other property or assets, the “**Reference Property**”). In each case, if a Capital Reorganization causes the Common Shares to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of shareholder election), then the Reference Property into which the Convertible Preferred Shares will be exchangeable shall be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Shares. The Corporation shall notify the holders of the Convertible Preferred Shares of such weighted average as soon as practicable after such determination is made. None of the foregoing provisions shall affect (x) the right of a holder of Convertible Preferred Shares to convert its Convertible Preferred Shares (1) into Common Shares prior to the effective time of such Capital Reorganization or (2) into Common Shares or Reference Property,

as applicable, following the effective time of such Capital Reorganization, in any case pursuant to SECTION 7(a), or, (y) if the event constituting a Capital Reorganization is also a Change of Control Transaction, the right of the Corporation to redeem the Convertible Preferred Shares in connection with such transaction pursuant to SECTION 6. The provisions of this SECTION 7(f)(vii) shall similarly apply to successive Capital Reorganization events. This SECTION 7(f)(vii) shall not apply to any share split or combination to which SECTION 7(f)(i) is applicable or to a liquidation, dissolution or winding up to which SECTION 1 applies.

The Corporation shall not enter into any agreement for a transaction constituting a Capital Reorganization unless (i) such agreement provides for or does not interfere with or prevent (as applicable) conversion of the Convertible Preferred Shares into the Reference Property in a manner that is consistent with and gives effect to this SECTION 7, and (ii) to the extent that the Corporation is not the surviving entity in such Capital Reorganization or will be dissolved in connection with such Capital Reorganization, proper provision shall be made in the agreements governing such Capital Reorganization for the conversion of the Convertible Preferred Shares into Reference Property and, in the case of a Capital Reorganization constituting any sale, lease or other transfer to a third party of the consolidated assets of the Corporation and its subsidiaries substantially as an entirety, an exchange of Convertible Preferred Shares for the shares of the person to whom the Corporation's assets are conveyed or transferred, having voting powers, preferences, and relative, participating, optional or other special rights as nearly equal as possible to those provided in these Articles of Amendment.

(viii) *Other Adjustments.* In case the Corporation takes any action affecting the Convertible Preferred Shares or the Common Shares other than actions described in this SECTION 7, which in the opinion of the Board of Directors, would materially adversely affect the rights of the holders of the Convertible Preferred Shares (including their conversion rights), the Conversion Price will be adjusted in such manner and at such time, by action of the Board of Directors, subject to the prior written consent of the Exchange on which the Common Shares are then listed if required, as the Board of Directors in its sole discretion may determine to be equitable in the circumstances.

(ix) *Minimum Adjustment.* Notwithstanding the foregoing, the Conversion Price will not be reduced if the amount of such reduction would be an amount less than US\$0.01, but any such amount will be carried forward and reduction with respect thereto will be made at the time that such amount, together with any subsequent amounts so carried forward, aggregates to US\$0.01 or more.

(x) *When No Adjustment Required.* Notwithstanding anything herein to the contrary, no adjustment to the Conversion Price need be made:

(A) for a transaction referred to in SECTION 7(f)(i), SECTION 7(f)(iii) or SECTION 7(f)(v) if the Convertible Preferred Shares participate, without conversion, in the transaction or event that would otherwise give rise to an adjustment pursuant to such Section at the same time as holders of the Common Shares participate with respect to such transaction or event and on the same terms as holders of the Common Shares participate with respect to such transaction or event as if the holders of Convertible Preferred Shares, at such time, held a number of Common Shares issuable to them upon conversion of the Convertible Preferred Shares at such time;

(B) for rights to purchase Common Shares pursuant to any present or future plan by the Corporation for reinvestment of dividends or interest payable on the Corporation's securities and the investment of additional optional amounts in Common Shares under any plan; or

(C) for any event otherwise requiring an adjustment under this SECTION 7 if such event is not consummated (in which case, any adjustment previously made as a result of such event shall be reversed).

(xi) *Provisions Governing Adjustment to Conversion Price.* Rights, options or warrants distributed by the Corporation to all or substantially all holders of Common Shares entitling the holders thereof to subscribe for or purchase shares of the Corporation's capital (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Rights Trigger**"): (A) are deemed to be transferred with such Common Shares; (B) are not exercisable; and (C) are also issued in respect of future issuances of Common Shares, shall be deemed not to have been distributed for purposes of SECTION 7(f) (and no adjustment to the Conversion Price under SECTION 7(f) will be required) until the Rights Trigger occurs, whereupon such rights, options and warrants shall be deemed to have been distributed and, if and to the extent such rights, options and warrants are exercisable for Common Shares or the equivalents thereof, an appropriate adjustment (if any is required) to the Conversion Price shall be made under SECTION 7(f)(ii). If any such right, option or warrant, including any such existing rights, options or warrants distributed prior to the Original Issuance Date, are subject to events upon the occurrence of which such rights, options or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and Ex-Dividend Date with respect to new rights, options or warrants with such rights (and a termination or expiration of the existing rights, options or warrants without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights, options or warrants, or any Rights Trigger or other event (of the type described in the preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Conversion Price was made, (1) in the case of any such rights, options or warrants that shall all have been redeemed or repurchased without exercise by any holders thereof, such Conversion Price shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Rights Trigger, as the case may be, as though it were a cash distribution in an amount equal to the per share redemption or repurchase price received by a holder or holders of Common Shares with respect to such rights, options or warrants (assuming such holder had retained such rights, options or warrants), made to all or substantially all holders of Common Shares as of the date of such redemption or repurchase, and (2) in the case of such rights, options or warrants that shall have expired or been terminated without exercise by any holders thereof, the Conversion Price shall be readjusted as if such rights, options and warrants had not been issued. Notwithstanding the foregoing, to the extent any such rights, options or warrants are redeemed by the Corporation prior to a Rights Trigger or are exchanged by the Corporation, in either case for Common Shares, the Conversion Price shall be appropriately readjusted (if and to the extent previously adjusted pursuant to this SECTION 7(f)(xi)) as if such rights, options or warrants had not been issued, and instead the Conversion Price will be adjusted as if the Corporation had issued the Common Shares issued upon such redemption or exchange (if any) as a dividend or distribution of Common Shares subject to SECTION 7(f)(i)(A) and (i)(B).

(xii) *Rules of Calculation.* All calculations will be made to the nearest one-hundredth of a cent or to the nearest one-ten thousandth of a share. Except as explicitly provided herein, the number of Common Shares outstanding will be calculated on the basis of the number of issued and outstanding Common Shares.

(xiii) *Waiver.* Notwithstanding anything in this SECTION 7(f) to the contrary, no adjustment need be made to the Conversion Price for any event with respect to which an adjustment would otherwise be required pursuant to this SECTION 7(f) if the Corporation receives, prior to the effective time of the adjustment to the Conversion Price, written notice from the holders representing at least a majority of the then outstanding Convertible Preferred Shares that no adjustment is to be made as the result of a particular issuance of Common Shares or other dividend or other distribution on Common Shares. This waiver will be limited in scope and will not be valid for any issuance of Common Shares or other dividend or other distribution on Common Shares or any other event not specifically provided for in such notice.

(xiv) *No Duplication.* If any action would require adjustment of the Conversion Price pursuant to more than one of the provisions described in this SECTION 7 in a manner such that such

adjustments are duplicative, only one adjustment shall be made (with the adjustment most favorable to the holders of Convertible Preferred Shares being the adjustment that shall be made in such case).

(xv) For the purpose of effecting the conversion of Convertible Preferred Shares, the Corporation shall at all times reserve and keep available, free from any preemptive rights, out of its treasury or authorized but unissued Common Shares (or Reference Property, to the extent applicable) the full number of Common Shares (or Reference Property, to the extent applicable) deliverable upon the conversion of all outstanding Convertible Preferred Shares after taking into account any adjustments to the Conversion Price from time to time pursuant to the terms of this SECTION 7 and any increases to the Liquidation Preference from time to time and assuming for the purposes of this calculation that all outstanding Convertible Preferred Shares are held by one holder.

(xvi) *Successive Adjustments.* For the avoidance of doubt, after an adjustment to the Conversion Price under this SECTION 7, any subsequent event requiring an adjustment under this SECTION 7 shall cause an adjustment to such Conversion Price as so adjusted.

(g) Notice of Record Date. In the event of:

- (i) any share split or combination of the outstanding Common Shares;
- (ii) any declaration or making of a dividend or other distribution to holders of Common Shares in additional Common Shares, any other share capital, other securities or other property (including, but not limited to, cash and evidences of indebtedness, other than ordinary cash dividends paid on a quarterly basis);
- (iii) any reclassification or change to which SECTION 7(f)(i)(B) applies;
- (iv) the dissolution, liquidation or winding up of the Corporation or other return of capital or distribution of the assets of the Corporation among its shareholders, in each case for the purposes of winding up its affairs;
- (v) any other event constituting a Capital Reorganization;
- (vi) any Take-Over Bid; or
- (vii) any Change of Control Transaction;

then the Corporation shall file with its corporate records and mail to the holders of the Convertible Preferred Shares at their last addresses as shown on the records of the Corporation, at least ten (10) days prior to the record date specified in (A) below or ten (10) days prior to the date specified in (B) below, a notice stating:

(A) the record date of such share split, combination, dividend or other distribution, or, if a record is not to be taken, the date as of which the holders of Common Shares of record to be entitled to such share split, combination, dividend or other distribution are to be determined, or

(B) the date on which such reclassification, change, dissolution, liquidation, winding up of the Corporation or upon any other return of capital or distribution of the assets of the Corporation among its shareholders, in each case for the purposes of winding up its affairs, other event constituting a Capital Reorganization, Take-Over Bid or Change of Control Transaction, is estimated to become effective, and the date as of which it is expected that holders of

Common Shares of record will be entitled to exchange their Common Shares for the share capital, other securities or other property (including, but not limited to, cash and evidences of indebtedness) deliverable upon such reclassification, change, liquidation, dissolution, winding up of the Corporation or other return of capital or distribution of the assets of the Corporation among its shareholders, in each case for the purposes of winding up its affairs, Capital Reorganization, Take-Over Bid or Change of Control Transaction.

(h) Certificate of Adjustments. Promptly upon the occurrence of any event requiring an adjustment or readjustment of the Conversion Price pursuant to this SECTION 7, the Corporation shall compute such adjustment or readjustment in accordance with the terms hereof and, within ten (10) Business Days of such event, furnish to each holder of Convertible Preferred Shares a certificate, duly signed and executed by an officer of the Corporation, setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the reasonable written request of any holder of Convertible Preferred Shares, furnish to such holder a similar certificate setting forth (i) the calculation of such adjustments and readjustments in reasonable detail, (ii) the Conversion Price then in effect, and (iii) the number of Common Shares and the amount, if any, of share capital, other securities or other property (including, but not limited to, cash and evidences of indebtedness) which then would be received upon the conversion of Convertible Preferred Shares.

SECTION 8. Additional Definitions. For purposes of these Articles of Amendment, the following terms shall have the following meanings:

(a) “**Board of Directors**” means the board of directors of the Corporation, as constituted from time to time, or, with respect to any action to be taken by the Board of Directors, any committee of the Board of Directors duly authorized to take such action.

(b) “**Business Day**” means any day which is not a Saturday, a Sunday or a day on which the principal commercial banks located in the City of Toronto, Ontario or New York, New York are not open for business during normal banking hours.

(c) “**Change of Control**” means a sale of all or substantially all of the assets of the Corporation on a consolidated basis to any person or entity (other than one or more subsidiaries of the Corporation) or a transaction or series of related transactions as a result of which the holders of voting and equity interests in the Corporation immediately prior to such transaction or series of related transactions, together with their respective affiliates, will thereafter cease to beneficially own within the meaning of applicable securities laws at least a majority of the voting and equity interests in the Corporation or any successor thereto.

(d) “**Closing Price**” means, with respect to any security on any date, the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the national stock exchange or automated inter-dealer quotation system upon which such security is listed or quoted (or, if such security are not listed and posted for trading on a national stock exchange or automated inter-dealer quotation system, such other over-the-counter market on which such security may be listed or quoted). If such securities are not so listed or quoted, the last reported sale price will be the average of the mid-point of the last bid and ask prices for such security on the relevant date from each of at least two recognized investment banking firms selected by the Corporation for this purpose. For purposes of these Articles of Amendment, all references herein to the “Closing Price” and “last reported sale price” of the Common Shares on the Exchange shall be such closing sale price and last reported sale price as reflected on the website of the Exchange. If the date of determination is not a Trading Day, then such determination shall be made as of the last Trading Day prior to such date.

(e) “**Common Shares**” means the common shares in the capital of the Corporation.

(f) “**Conversion Date**” means the effective date of a conversion of Convertible Preferred Shares to Common Shares, being (i) in the case of a conversion pursuant to SECTION 7(a), the date on which the Corporation shall have received such certificates, together with such notice and such other information or documents as may be required by the Corporation or its transfer agent, (ii) in the case of a conversion pursuant to SECTION 7(b)(i) or (ii), the date specified by the Corporation that is ten (10) Business Days following the date of such notice, and (iii) in the case of a conversion pursuant to SECTION 7(b)(iii), being the eight (8) year anniversary of the Original Issuance Date.

(g) “**Convertible Security**” means any debt or other evidences of indebtedness, shares of capital, options, warrants, subscription rights or other securities of the Corporation directly or indirectly convertible into or exercisable or exchangeable for Common Shares.

(h) “**Corporation**” means Hudson’s Bay Company, a corporation governed by the *Canada Business Corporations Act*.

(i) “**Current Market Price**” of Common Shares on any date means the average of the Closing Prices (or if the Closing Price on any Trading Day is quoted only in Canadian dollars, the USD Equivalent Amount thereof on such Trading Day) per Common Share for each of the 10 (ten) consecutive Trading Days ending on the earlier of the day in question and the day before the Ex-Dividend Date with respect to the issuance or distribution requiring such computation.

(j) “**Ex-Dividend Date**” means, with respect to any issuance, dividend or distribution on the Common Shares, the first date on which the Common Shares trade on the applicable Exchange or in the applicable market, regular way, without the right to receive such issuance or distribution.

(k) “**Exchange**” means any United States or Canadian national stock exchange or automated inter-dealer quotation system upon which the Common Shares are listed or quoted, provided that if the Common Shares are dual listed on both a United States national stock exchange and a Canadian national stock exchange the United States national stock exchange shall be the Exchange; as of the date hereof, the Exchange for the Common Shares is the Toronto Stock Exchange.

(l) “**Fair Market Value**” of the Common Shares or any other security, property or assets means the fair market value thereof as reasonably determined in good faith by the Board of Directors, which determination must be set forth in a written resolution of the Board of Directors, in accordance with the following rules:

(i) for Common Shares, the Fair Market Value will be the average of the Closing Prices of such security on the Exchange over a ten (10) consecutive Trading Day period, ending on the Trading Day immediately prior to the date of determination;

(ii) for any security other than Common Shares that are traded or quoted on any United States or Canadian national stock exchange or automated inter-dealer quotation system, the Fair Market Value will be the average of the Closing Prices of such security on such national stock exchange or automated inter-dealer quotation system over a ten (10) consecutive Trading Day period, ending on the Trading Day immediately prior to the date of determination; and

(iii) for any other property or assets, the Fair Market Value shall be determined by the Board of Directors, with advice from an investment bank recognized nationally in Canada or the United States, as the monetary consideration that, in an open and unrestricted market, a prudent and informed

buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act.

(m) “**hereof**,” “**herein**” and “**hereunder**” and words of similar import refer to these Articles of Amendment as a whole and not merely to any particular clause, provision, section or subsection.

(n) “**Investor**” shall mean Fabric Luxembourg Holdings S.à r.l.

(o) “**Market Disruption Event**” means, with respect to the Common Shares, (i) a failure by the Exchange to open for trading during its regular trading session or (ii) the occurrence or existence for more than one half hour period in the aggregate on any scheduled Trading Day for the Common Shares of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the Exchange, or otherwise) in the Common Shares or in any options, contracts or future contracts relating to the Common Shares, and such suspension or limitation occurs or exists at any time before 1:00 p.m. (Toronto time) on such day.

(p) “**Original Issuance Date**” means December 6, 2017.

(q) “**Original Purchase Price**” means US\$9.8194 per Convertible Preferred Share.

(r) “**person**” means any individual, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government, any agency or political subdivisions thereof.

(s) “**share capital**” means any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital, partnership interests (whether general or limited) or equivalent ownership interests in or issued by such person, and with respect to the Corporation includes, without limitation, any and all Common Shares and the Convertible Preferred Shares.

(t) “**Trading Day**” means any date on which (i) there is no Market Disruption Event and (ii) the Exchange is open for trading or, if the Common Shares are not so listed, admitted for trading or quoted, any Business Day. A Trading Day only includes those days that have a scheduled closing time of 4:00 p.m. (Toronto time) or the then standard closing time for regular trading on the relevant Exchange.

(u) “**USD Equivalent Amount**” means on any date with respect to the specified amount of Canadian dollars the U.S. dollar equivalent amount after giving effect to the conversion of Canadian dollars to U.S. dollars at the Bank of Canada daily average exchange rate (as quoted or published from time to time by the Bank of Canada) on that date.

(v) Each of the following terms is defined in the Section set forth opposite such term:

<u>Term</u>	<u>Section</u>
Accretion Rate	SECTION 1(b)
Additional Common Shares	SECTION 7(f)(vi)(B)
Change of Control Transaction	SECTION 6(b)
Common Share Equivalents	SECTION 7(f)(vi)(B)
Conversion Amount	SECTION 7(a)
Conversion Price	SECTION 7(a)
Convertible Preferred Shares	Recital
Liquidation Preference	SECTION 1(b)
Quarterly Compounding Date	SECTION 1(b)

<u>Term</u>	<u>Section</u>
Redemption Date	SECTION 6(b)
Redemption Notice	SECTION 6(b)
Redemption Price	SECTION 6(b)
Reference Property	SECTION 7(f)(vii)
Rights Trigger	SECTION 7(f)(xi)
Take-Over Bid	SECTION 6(b)(2)

(w) The expressions “ranking senior to”, “ranking junior to” and similar expressions refer to the order of priority in the distribution of assets in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or any other return of capital or distribution of the assets of the Corporation among its shareholders, in each case for the purposes of winding up its affairs, in the payment of dividends or upon redemption.

(x) If any day on which any action is required to be taken by the Corporation is not a Business Day, then such action may be taken on or by the next succeeding day that is a Business Day.

SECTION 9. Miscellaneous. For purposes of these Articles of Amendment, the following provisions shall apply:

(a) Withholding Tax. Notwithstanding any other provision of these Articles of Amendment, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these Articles of Amendment any amounts required (or permitted, in the event that the Convertible Preferred Shares are or become “taxable Canadian property” at any relevant time for purposes of the *Income Tax Act (Canada)*) by applicable law to be deducted or withheld from any such payment, distribution, issuance or delivery and the Corporation will timely remit any such amounts to the relevant tax authority as required, and will provide evidence thereof reasonably acceptable to the affected holder(s) of Convertible Preferred Shares. All such remitted amounts shall be treated as having been paid to the relevant holder(s). If the cash component of any payment, distribution, issuance or delivery to be made pursuant to these Articles of Amendment is less than the amount that the Corporation is so required (or permitted, in the event that the Convertible Preferred Shares are or become “taxable Canadian property” at any relevant time for purposes of the *Income Tax Act (Canada)*) to deduct or withhold, the Corporation shall be permitted to deduct and withhold from any noncash payment, distribution, issuance or delivery to be made pursuant to these Articles of Amendment any amounts required (or permitted, in the event that the Convertible Preferred Shares are or become “taxable Canadian property” at any relevant time for purposes of the *Income Tax Act (Canada)*) by law to be deducted or withheld from any such payment, distribution, issuance or delivery and to dispose of such property in order to remit any amount required to be remitted to any relevant tax authority.

(b) Wire or Electronic Transfer of Funds. Notwithstanding any other right, privilege, restriction or condition attaching to the Convertible Preferred Shares, the Corporation may, at its option, make any payment due to registered holders of Convertible Preferred Shares by way of a wire or electronic transfer of funds to such holders. If a payment is made by way of a wire or electronic transfer of funds, the Corporation shall be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Corporation that a payment is to be made by way of a wire or electronic transfer of funds, the Corporation shall provide a notice to the applicable registered holders of Convertible Preferred Shares at their respective addresses appearing on the books of the Corporation. Such notice shall request that each applicable registered holder of Convertible Preferred Shares provide the particulars of an account of such holder with a chartered bank in Canada or the United States to which the wire or electronic transfer of funds shall be directed. If the Corporation does not receive account particulars from a registered holder of Convertible Preferred Shares prior to the date such payment is to be made, the

Corporation shall deposit the funds otherwise payable to such holder in a special account or accounts in trust for such holder.

(c) Amendments. The provisions attaching to the Convertible Preferred Shares may be deleted, varied, modified, amended or amplified by articles of amendment with such approval as may then be required by the *Canada Business Corporations Act*.

(d) U.S. Currency. Unless otherwise stated, all references herein to sums of money are expressed in lawful money of the United States.

(e) Specified Amount. The amount specified in respect of each Convertible Preferred Share for the purposes of subsection 191(4) of the *Income Tax Act* (Canada) is an amount equal to the Original Purchase Price.

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