

AMENDED AND RESTATED
SHAREHOLDER RIGHTS PLAN AGREEMENT

DATED AS OF DECEMBER 17, 2010, AS AMENDED AND RESTATED
EFFECTIVE MAY 5, 2014 AND MAY 11, 2017

BETWEEN

ENBRIDGE INCOME FUND HOLDINGS INC.

AND

CST TRUST COMPANY

AS RIGHTS AGENT

**AMENDED AND RESTATED
SHAREHOLDER RIGHTS PLAN AGREEMENT**

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AMENDED AND RESTATED
SHAREHOLDER RIGHTS PLAN AGREEMENT

AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN AGREEMENT dated as of December 17, 2010 between Enbridge Income Fund Holdings Inc. (“EIFH”), a corporation incorporated under the laws of Alberta, and CST Trust Company, a trust company incorporated under the laws of Canada and successor to CIBC Mellon Trust Company (the “**Rights Agent**”), as amended and restated effective May 5, 2014 and May 11, 2017;

AND WHEREAS the board of directors of EIFH has determined that it is in the best interests of EIFH to continue to have a shareholder rights plan to ensure, to the extent possible, that all shareholders of EIFH are treated fairly in connection with any take-over bid for EIFH;

AND WHEREAS EIFH and CST Trust Company entered into an amended and restated shareholder rights plan agreement dated as of February 10, 2014 (and approved and ratified by shareholders on May 5, 2014), which amended and restated the shareholder rights plan agreement dated as of December 17, 2010 between EIFH and CIBC Mellon Trust Company (and approved and adopted by the shareholders of EIFH on May 9, 2011) (collectively, the “**Original Agreement**”);

AND WHEREAS EIFH has the authority to delegate responsibility for carrying out some of the requisite actions or matters necessary to execute decisions made by EIFH to Enbridge Management Services Inc., as administrator of EIFH and EIFH wishes to so delegate certain administrative matters relating to this Agreement;

AND WHEREAS EIFH and the Rights Agent wish to effect certain amendments to update and restate the Original Agreement in its entirety to be on the terms and conditions and in the form of this Agreement to take effect immediately upon receipt of approval of the shareholders of EIFH and the reconfirmation of this Agreement by the shareholders of EIFH at the annual and special meeting of shareholders to be held on May 11, 2017 or any adjournment or postponement thereof;

AND WHEREAS each Right (as defined below) entitles the holder thereof, after the Separation Time (as defined below), to purchase securities of EIFH pursuant to the terms and subject to the conditions set forth herein;

AND WHEREAS EIFH desires to confirm its appointment of the Rights Agent to act on behalf of EIFH and the holders of Rights, and the Rights Agent is willing to continue to so act, in connection with the issuance, transfer, exchange and replacement of Rights Certificates (as defined below), the exercise of Rights and other matters referred to herein;

NOW THEREFORE, in consideration of the premises and the respective covenants and agreements set forth herein, and subject to such covenants and agreements, the parties hereby agree as follows:

ARTICLE 1. INTERPRETATION

1.1 Certain Definitions

For purposes of this Agreement, including the recitals hereto, the following terms have the meanings indicated:

- (a) “**ABCA**” means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, and the regulations made thereunder, and any comparable or successor laws or regulations thereto;
- (b) “**Acquiring Person**” means any Person who is the Beneficial Owner of 20% or more of the outstanding Shares; provided, however, that the term “Acquiring Person” shall not include:
 - (i) EIFH, or any Subsidiary of EIFH;
 - (ii) Enbridge Inc. or any successor to Enbridge Inc., or any Affiliate thereof;
 - (iii) any Person who becomes the Beneficial Owner of 20% or more of the outstanding Shares as a result of one or any combination of (A) a Share Reduction, (B) Permitted Bid Acquisitions, (C) an Exempt Acquisition or (D) Pro Rata Acquisitions; provided, however, that if a Person becomes the Beneficial Owner of 20% or more of the outstanding Shares by reason of one or any combination of the operation of (A), (B), (C) or (D) above and such Person’s Beneficial Ownership of Shares thereafter increases by more than 1.0% of the number of Shares outstanding (other than pursuant to one or any combination of a Share Reduction, a Permitted Bid Acquisition, an Exempt Acquisition or a Pro Rata Acquisition), then as of the date such Person becomes the Beneficial Owner of such additional Shares, such Person shall become an “Acquiring Person”;
 - (iv) for a period of ten days after the Disqualification Date (as defined below), any Person who becomes the Beneficial Owner of 20% or more of the outstanding Shares as a result of such Person becoming disqualified from relying on Clause 1.1(f)(v) solely because such Person or the Beneficial Owner of such Shares is making or has announced an intention to make a Take-over Bid, either alone or by acting jointly or in concert with any other Person. For the purposes of this definition, “Disqualification Date” means the first date of public announcement that any Person is making or has announced an intention to make a Take-over Bid; or
 - (v) an underwriter or member of a banking or selling group that becomes the Beneficial Owner of 20% or more of the Shares in connection with a distribution of securities of EIFH;
- (c) “**Affiliate**” when used to indicate a relationship with a Person, means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person;

- (d) **“Agreement”** means this amended and restated shareholder rights plan agreement dated as of December 17, 2010 between EIFH and the Rights Agent, as amended and restated effective May 5, 2014 and May 11, 2017, as the same may be further amended or supplemented from time to time; **“hereof”**, **“herein”**, **“hereto”** and similar expressions mean and refer to this Agreement as a whole and not to any particular part of this Agreement;
- (e) **“Associate”** means, when used to indicate a relationship with a specified Person, a spouse of that Person, any Person of the same or opposite sex with whom that Person is living in a conjugal relationship outside marriage, a child of that Person or a relative of that Person if that relative has the same residence as that Person;
- (f) A Person shall be deemed the **“Beneficial Owner”** of, and to have **“Beneficial Ownership”** of, and to **“Beneficially Own”**:
- (i) any securities as to which such Person or any of such Person’s Affiliates or Associates is the owner at law or in equity;
 - (ii) any securities as to which such Person or any of such Person’s Affiliates or Associates has the right to become the owner at law or in equity (whether such right is exercisable immediately or within a period of 60 days thereafter and whether or not on condition or the happening of any contingency or the making of any payment) pursuant to any agreement, arrangement, pledge or understanding, whether or not in writing (other than (A) customary agreements with and between underwriters and/or banking group members and/or selling group members with respect to a public offering or private placement of securities and (B) pledges of securities in the ordinary course of business), or upon the exercise of any conversion right, exchange right, share purchase right (other than the Rights), warrant or option; or
 - (iii) any securities which are Beneficially Owned within the meaning of Clauses 1.1(f)(i) and (ii) by any other Person with whom such Person is acting jointly or in concert;

provided, however, that a Person shall not be deemed the **“Beneficial Owner”** of, or to have **“Beneficial Ownership”** of, or to **“Beneficially Own”**, any security:

- (iv) where such security has been deposited or tendered pursuant to any Take-over Bid or where the holder of such security has agreed pursuant to a Lock-up Agreement to deposit or tender such security pursuant to a Take-over Bid, in each case made by such Person, made by any of such Person’s Affiliates or Associates or made by any other Person acting jointly or in concert with such Person until such deposited or tendered security has been taken up or paid for, whichever shall first occur;
- (v) where such Person, any of such Person’s Affiliates or Associates or any other Person acting jointly or in concert with such Person holds such security provided that:
 - A. the ordinary business of any such Person (the **“Investment**

Manager”) includes the management of investment funds for others (which others, for greater certainty, may include or be limited to one or more employee benefit plans or pension plans) and such security is held by the Investment Manager in the ordinary course of such business in the performance of such Investment Manager’s duties for the account of any other Person (a **Client**”), including non-discretionary accounts held on behalf of a Client by a broker or dealer appropriately registered under applicable law;

- B. such Person (the **Trust Company**) is licensed to carry on the business of a trust company under applicable laws and, as such, acts as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent Persons (each an **Estate Account**) or in relation to other accounts (each an **Other Account**) and holds such security in the ordinary course of such duties for the estate of any such deceased or incompetent Person or for such Other Accounts;
- C. such Person is established by statute for purposes that include, and the ordinary business or activity of such Person (the **Statutory Body**) includes, the management of investment funds for employee benefit plans, pension plans, insurance plans or various public bodies;
- D. such Person (the **Administrator**) is the administrator or trustee of one or more pension funds or plans (a **Plan**), or is a Plan, registered or qualified under the laws of Canada or any Province thereof or the laws of the United States of America or any State thereof;
- E. such Person (the **Crown Agent**) is a Crown agent or agency; or
- F. such Person (the **Manager**) is the manager or trustee of a mutual fund (**Mutual Fund**) that is registered or qualified to issue its securities to investors under the securities laws of any province of Canada or the laws of the United States of America or is a Mutual Fund,

provided, in any of the above cases, that the Investment Manager, the Trust Company, the Statutory Body, the Administrator, the Plan, the Crown Agent, the Manager or the Mutual Fund, as the case may be, is not then making a Take-over Bid or has not then announced an intention to make a Take-over Bid alone or acting jointly or in concert with any other Person, other than an Offer to Acquire Shares or other securities (A) pursuant to a distribution by EIFH, (B) by means of a Permitted Bid or (C) by means of ordinary market transactions (including prearranged trades entered into in the ordinary course of business of such Person) executed through the facilities of a stock exchange or organized over-the-counter market;

- (vi) where such Person is (A) a Client of the same Investment Manager as another Person on whose account the Investment Manager holds such security, (B) an Estate Account or an Other Account of the same Trust Company as another Person on whose account the Trust Company holds such security or (C) a Plan with the same Administrator as another Plan on whose account the Administrator holds such security;
 - (vii) where such Person is (A) a Client of an Investment Manager and such security is owned at law or in equity by the Investment Manager, (B) an Estate Account or an Other Account of a Trust Company and such security is owned at law or in equity by the Trust Company or (C) a Plan and such security is owned at law or in equity by the Administrator of the Plan; or
 - (viii) where such Person is a registered holder of such security as a result of carrying on the business of, or acting as a nominee of, a securities depository;
- (g) **“Book Entry Form”** means, in reference to securities, securities that have been issued and registered in uncertificated form and includes securities evidenced by an advice or other statement and securities which are maintained electronically on the records of EIFH’s transfer agent but for which no certificate has been issued;
- (h) **“Book Entry Rights Exercise Procedures”** has the meaning ascribed thereto in Subsection 2.2(c);
- (i) **“Business Day”** means any day other than a Saturday, Sunday or a day on which banking institutions in Calgary are authorized or obligated by law to close;
- (j) **“Close of Business”** on any date means the time on such date (or, if such date is not a Business Day, the time on the next succeeding Business Day) at which the principal transfer office in Calgary of the transfer agent for the Shares of EIFH (or, after the Separation Time, the principal transfer office in Calgary of the Rights Agent) is closed to the public; provided, however, that for the purposes of the definitions of “Competing Permitted Bid” and “Permitted Bid”, “Close of Business” on any date means 11:59 p.m. (local time at the place of deposit) on such date (or, if such date is not a Business Day, 11:59 p.m. (local time at the place of deposit) on the next succeeding Business Day);
- (k) **“Competing Permitted Bid”** means a Take-over Bid that:
- (i) is made after a Permitted Bid or another Competing Bid has been made and prior to the expiry, termination or withdrawal of such Permitted Bid or Competing Permitted Bid;
 - (ii) satisfies all components of the definition of a Permitted Bid other than the requirements set out in Clause 1.1(gg)(ii)(A) of the definition of a Permitted Bid; and
 - (iii) contains, and the take-up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that no

Shares will be taken up or paid for pursuant to the Take-over Bid prior to the Close of Business on the last day of the minimum initial deposit period that such Take-over Bid must remain open for deposits of securities thereunder pursuant to NI 62-104 after the date of the Take-over Bid constituting the Competing Permitted Bid;

provided, however, that a Take-over Bid that qualified as a Competing Permitted Bid shall cease to be a Competing Permitted Bid at any time and as soon as such time as when such Take-over Bid ceases to meet any or all of the provisions of this definition.

- (l) **“controlled”** a Person is “controlled” by another Person or two or more other Persons acting jointly or in concert if:
 - (i) in the case of a body corporate, securities entitled to vote in the election of directors of such body corporate carrying more than 50% of the votes for the election of directors are held, directly or indirectly, by or for the benefit of the other Person or Persons and the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of such body corporate; or
 - (ii) in the case of a Person which is not a body corporate, more than 50% of the voting or equity interests of such entity are held, directly or indirectly, by or for the benefit of the other Person or Persons;and “controls”, “controlling” and “under common control with” shall be interpreted accordingly;
- (m) **“Co-Rights Agents”** has the meaning ascribed thereto in Subsection 4.1(a);
- (n) **“Disposition Date”** has the meaning ascribed thereto in Subsection 5.1(h);
- (o) **“Dividend Reinvestment Acquisition”** means an acquisition of Shares pursuant to a Dividend Reinvestment Plan;
- (p) **“Dividend Reinvestment Plan”** means a regular dividend reinvestment or other plan of EIFH made available by EIFH to holders of its securities where such plan permits the holder to direct that some or all of:
 - (i) dividends paid in respect of Shares;
 - (ii) interest paid on evidences of indebtedness of EIFH; or
 - (iii) optional cash payments;be applied to the purchase from EIFH of Shares;
- (q) **“EIFH Directors”** means the directors of EIFH, from time to time;
- (r) **“Election to Exercise”** has the meaning ascribed thereto in Clause 2.2(d)(ii);

- (s) **“Exempt Acquisition”** means a Share acquisition:
 - (i) in respect of which the EIFH Directors have waived the application of Section 3.1 pursuant to the provisions of Subsection 5.1(a) or (h); or
 - (ii) pursuant to an amalgamation, plan of arrangement or other procedure (statutory or otherwise) having similar effect which has been approved by the EIFH Directors and the holders of Shares by the requisite majority or majorities of the holders of Shares at a meeting duly called and held for such purpose in accordance with EIFH’s by-laws, the ABCA and any other applicable legal requirements;
- (t) **“Exercise Price”** means, as of any date, the price at which a holder may purchase the securities issuable upon exercise of one whole Right which, until adjustment thereof in accordance with the terms hereof, shall be: (i) until the Separation Time, an amount equal to three times the Market Price, from time to time, per Share; and (ii) from and after the Separation Time, an amount equal to three times the Market Price, as at the Separation Time, per Share;
- (u) **“Expansion Factor”** has the meaning ascribed thereto in Clause 2.3(a)(v);
- (v) **“Expiration Time”** means the Close of Business on that date on which a Reconfirmation Meeting occurs and at which this Agreement is not reconfirmed or presented for reconfirmation as contemplated in Section 5.17;
- (w) **“Flip-in Event”** means a transaction or other event in or pursuant to which any Person becomes an Acquiring Person;
- (x) **“holder”** has the meaning ascribed thereto in Section 2.8;
- (y) **“Independent Shareholders”** means holders of Shares, other than:
 - (i) any Acquiring Person;
 - (ii) any Offeror (other than any Person who by virtue of Clause 1.1(f)(v) is not deemed to Beneficially Own the Shares held by such Person);
 - (iii) any Affiliate or Associate of any Acquiring Person or Offeror;
 - (iv) any Person acting jointly or in concert with any Acquiring Person or Offeror; and
 - (v) any employee benefit plan, deferred profit sharing plan, share participation plan and any other similar plan or trust for the benefit of employees or directors of EIFH unless the beneficiaries of the plan or trust direct the manner in which the Shares are to be voted or withheld from voting or direct whether the Shares are to be tendered to a Take-over Bid;
- (z) **“Lock-up Agreement”** means an agreement between an Offeror, any of its Affiliates or Associates or any other Person acting jointly or in concert with the Offeror and a Person (the **“Locked-up Person”**) who is not an Affiliate or Associate of the Offeror or a Person acting jointly or in concert with the Offeror

whereby the Locked-up Person agrees to deposit or tender the Shares held by the Locked-up Person to the Offeror's Take-over Bid or to any Take-over Bid made by any of the Offeror's Affiliates or Associates or made by any other Person acting jointly or in concert with the Offeror (the "**Lock-up Bid**") provided that:

- (i) the terms of such agreement are publicly disclosed and a copy of such agreement is made available to the public (including EIFH and Enbridge Inc.) not later than the date of the Lock-up Bid or, if the Lock-up Bid has been made prior to the date on which such agreement is entered into, not later than the first Business Day following the date of such agreement;
- (ii) the agreement permits such Locked-up Person to terminate its obligation to deposit or tender to or not to withdraw Shares from the Lock-up Bid, and to terminate any obligation with respect to the voting of such Shares, in order to tender or deposit such Shares to another Take-over Bid or to support another transaction:

A. where the price or value of the consideration per Share offered under such other Take-over Bid or transaction:

- (1) exceeds the price or value of the consideration per Share offered under the Lock-up Bid; or
- (2) exceeds by as much as or more than a specified amount (the "**Specified Amount**") the price or value of the consideration per Share at which the Locked-up Person has agreed to deposit or tender Shares to the Lock-up Bid, provided that such Specified Amount is not greater than 7% of the price or value of the consideration per Share offered under the Lock-up Bid; and

B. if the number of Shares offered to be purchased under the Lock-up Bid is less than 100% of the Shares held by Independent Shareholders, where the price or value of the consideration per Share offered under such other Take-over Bid or transaction is not less than the price or value of the consideration per Share offered under the Lock-up Bid and the number of Shares to be purchased under such other Take-over Bid or transaction:

- (1) exceeds the number of Shares that the Offeror has offered to purchase under the Lock-up Bid; or
- (2) exceeds by as much as or more than a specified number (the "**Specified Number**") the number of Shares that the Offeror has offered to purchase under the Lock-up Bid, provided that the Specified Number is not greater than 7% of the number of Shares offered to be purchased under the Lock-up Bid;

and for greater certainty, such agreement may contain a right of first refusal or require a period of delay to give the Offeror under the Lock-up Bid an opportunity to match the higher price, value or number in such

other Take-over Bid or transaction, or other similar limitation on a Locked-up Person's right to withdraw Shares from the agreement, so long as the limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Shares in sufficient time to deposit or tender to the other Take-over Bid or support the other transaction; and

- (iii) no “break-up” fees, “top-up” fees, penalties, expenses reimbursement or other similar amounts that exceed in the aggregate the greater of:
 - A. the cash equivalent of 2.5% of the price or value of the consideration payable under the Lock-up Bid to the Locked-up Person; and
 - B. 50% of the amount by which the price or value of the consideration payable under another Take-over Bid or transaction to the Locked-up Person exceeds the price or value of the consideration that such Locked-up Person would have received under the Lock-up Bid;

shall be payable by such Locked-up Person pursuant to the agreement in the event such Locked-up Person fails to deposit or tender the Shares to the Lock-up Bid or withdraws the Shares previously tendered thereto in order to deposit or tender such Shares to another Take-over Bid or support another transaction;

- (aa) **“Market Price”** per unit of any securities on any date of determination shall mean the average of the daily closing prices per unit of such securities (determined as described below) on each of the 20 consecutive Trading Days through and including the Trading Day immediately preceding such date; provided, however, that if an event of a type analogous to any of the events described in Section 2.3 hereof shall have caused the closing prices used to determine the Market Price on any Trading Days not to be fully comparable with the closing price on such date of determination or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day, each such closing price so used shall be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 hereof in order to make it fully comparable with the closing price on such date of determination or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day. The closing price per unit of any securities on any date shall be:

- (i) the closing board lot sale price or, in case no such sale takes place on such date, the average of the closing bid and asked prices for each of such securities as reported by the principal Canadian stock exchange (as determined by volume of trading) on which such securities are listed or admitted to trading;
- (ii) if for any reason none of such prices is available on such day or the securities are not listed or posted for trading on a Canadian stock exchange, the last sale price or, in case no such sale takes place on such date, the average of the closing bid and asked prices for each of such securities as reported by the principal national United States securities

exchange (as determined by volume of trading) on which such securities are listed or admitted to trading;

- (iii) if for any reason none of such prices is available on such day or the securities are not listed or admitted to trading on a Canadian stock exchange or a national United States securities exchange, the last sale price or, in case no sale takes place on such date, the average of the high bid and low asked prices for each of such securities in the over-the-counter market, as quoted by any recognized reporting system then in use; or
- (iv) if for any reason none of such prices is available on such day or the securities are not listed or admitted to trading on a Canadian stock exchange or a national United States securities exchange or quoted by any such reporting system, the average of the closing bid and asked prices as furnished by a recognized professional market maker making a market in the securities;

provided, however, that if for any reason none of such prices is available on such day, the closing price per unit of such securities on such date means the fair value per unit of such securities on such date as determined by a nationally recognized investment dealer or investment banker; and provided further that if an event of a type analogous to any of the events described in Section 2.3 hereof shall have caused any price used to determine the Market Price on any Trading Day not to be fully comparable with the price as so determined on the Trading Day immediately preceding such date of determination, each such price so used shall be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 hereof in order to make it fully comparable with the price on the Trading Day immediately preceding such date of determination. The Market Price shall be expressed in Canadian dollars and, if initially determined in respect of any day forming part of the 20 consecutive Trading Day period in question in United States dollars, such amount shall be translated into Canadian dollars on such date at the Canadian Dollar Equivalent thereof;

- (bb) “**NI 62-104**” means National Instrument 62-104 - *Take-Over Bids and Issuer Bids* adopted by the Canadian securities regulatory authorities, as now in effect or as the same may from time to time be amended, re-enacted or replaced;
- (cc) “**Nominee**” has the meaning ascribed thereto in Subsection 2.2(c);
- (dd) “**Offer to Acquire**” includes:
 - (i) an offer to purchase or a solicitation of an offer to sell Shares; and
 - (ii) an acceptance of an offer to sell Shares, whether or not such offer to sell has been solicited;

or any combination thereof, and the Person accepting an offer to sell shall be deemed to be making an Offer to Acquire to the Person that made the offer to sell;

- (ee) “**Offeror**” means a Person who has announced, and has not withdrawn, an

intention to make or who has made, and has not withdrawn, a Take-over Bid, other than a Person who has completed a Permitted Bid, a Competing Permitted Bid or an Exempt Acquisition;

- (ff) **“Offeror’s Securities”** means Shares Beneficially Owned by an Offeror on the date of the Offer to Acquire;
 - (gg) **“Permitted Bid”** means a Take-over Bid made by an Offeror by way of take-over bid circular which also complies with the following additional provisions:
 - (i) the Take-over Bid is made to all holders of Shares other than the Offeror;
 - (ii) the Take-over Bid contains, and the take-up and payment for securities tendered or deposited is subject to, an irrevocable and unqualified provision that no Shares will be taken up or paid for pursuant to the Take-over Bid:
 - A. prior to the Close of Business on a date that is not less than 105 days following the date of the Take-over Bid or such shorter minimum period that a take-over bid that is not exempt from any of the requirements of Division 5 (Bid Mechanics) of NI 62-104 must remain open for deposits of securities thereunder, in the applicable circumstances at such time, pursuant to NI 62-104; and
 - B. then only if, at the Close of Business on the date Shares are first taken up or paid for under such Take-over Bid, more than 50% of the Shares held by Independent Shareholders have been deposited or tendered pursuant to the Take-over Bid and not withdrawn;
 - (iii) unless the Take-over Bid is withdrawn, the Take-over Bid contains an irrevocable and unqualified provision that Shares may be deposited pursuant to such Take-over Bid at any time during the period of time described in Clause 1.1(gg)(ii)(A) and that any Shares deposited pursuant to the Take-over Bid may be withdrawn until taken up and paid for; and
 - (iv) the Take-over Bid contains an irrevocable and unqualified provision that in the event that the deposit condition set forth in Clause 1.1(gg)(ii)(B) is satisfied, the Offeror will make a public announcement of that fact and the Take-over Bid will remain open for deposits and tenders of Shares for not less than ten days from the date of such public announcement;
- provided, however, that a Take-over Bid that qualified as a Permitted Bid shall cease to be a Permitted Bid at any time and as soon as such time as when such Take-over Bid ceases to meet any or all of the provisions of this definition.
- (hh) **“Permitted Bid Acquisition”** means an acquisition of Shares made pursuant to a Permitted Bid or a Competing Permitted Bid;
 - (ii) **“Person”** includes any individual, firm, partnership, association, trust, trustee, executor, administrator, legal personal representative, body corporate, corporation, unincorporated organization, syndicate, a government and its

agencies or instrumentalities and any entity or group whether or not having legal personality;

- (jj) **“Pro Rata Acquisition”** means an acquisition by a Person of Shares pursuant to:
 - (i) a Dividend Reinvestment Acquisition;
 - (ii) a share distribution, share split or other event in respect of securities of EIFH of one or more particular classes or series pursuant to which such Person becomes the Beneficial Owner of Shares on the same pro rata basis as all other holders of securities of the particular class, classes or series;
 - (iii) the acquisition or the exercise by the Person of only those rights to purchase Shares distributed directly by EIFH to that Person (and not acquired from any other person) in the course of a distribution to all holders of securities of EIFH of one or more particular classes or series pursuant to a rights offering or pursuant to a prospectus, provided that the Person does not thereby acquire a greater percentage of Shares, or securities convertible into or exchangeable for Shares, than the Person’s percentage of Shares Beneficially Owned immediately prior to such acquisition; or
 - (iv) a distribution of Shares, or securities convertible into or exchangeable for Shares (and the conversion or exchange of such convertible or exchangeable securities), made pursuant to a prospectus or by way of a private placement or securities exchange take-over bid, provided that the Person does not thereby acquire a greater percentage of such Shares, or securities convertible into or exchangeable for Shares, so offered than the Person’s percentage of Shares Beneficially Owned immediately prior to such acquisition;
- (kk) **“Reconfirmation Meeting”** has the meaning set forth in Section 5.17;
- (ll) **“Record Time”** has the meaning set forth in Subsection 2.1(a);
- (mm) **“Redemption Price”** has the meaning set forth in Subsection 5.1(b);
- (nn) **“Right”** means a right to purchase a Share of EIFH upon the terms and subject to the conditions set forth in this Agreement;
- (oo) **“Rights Certificate”** means the certificates representing the Rights after the Separation Time, which shall be substantially in the form attached hereto as Attachment 1 or such other form as EIFH and the Rights Agent may agree;
- (pp) **“Rights Holders’ Special Meeting”** means a meeting of the holders of Rights called by the EIFH Directors for the purpose of approving an amendment to this Agreement pursuant to Subsection 5.4(c);
- (qq) **“Rights Register”** has the meaning ascribed thereto in Subsection 2.6(a);

- (rr) “**Rights Registrar**” has the meaning ascribed thereto in Subsection 2.6(a);
- (ss) “**Securities Act**” means the *Securities Act*, R.S.A. 2000, c. S-4, as amended, and the regulations thereunder, and any comparable or successor laws or regulations thereto;
- (tt) “**Separation Time**” means the Close of Business on the tenth Trading Day after the earlier of:
 - (i) the Share Acquisition Date;
 - (ii) the date of the commencement of, or first public announcement of, the intent of any Person (other than Enbridge Inc. or Affiliate thereof, any successor to Enbridge Inc., EIFH or any Subsidiary of EIFH) to commence a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid), or such later time as may be determined by the EIFH Directors, provided that, if any Take-over Bid referred to in this Clause (ii) expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, such Take-over Bid shall be deemed, for the purposes of this definition, never to have been made; and
 - (iii) the date on which a Permitted Bid or Competing Permitted Bid ceases to be such;
- (uu) “**Share Acquisition Date**” means the first date of public announcement (which, for purposes of this definition, shall include, without limitation, a report filed pursuant to section 182 of the Securities Act by EIFH or an Acquiring Person that an Acquiring Person has become such);
- (vv) “**Share Reduction**” means an acquisition or redemption by EIFH of Shares which, by reducing the number of Shares outstanding, increases the proportionate number of Shares Beneficially Owned by any person to 20% or more of the Shares then outstanding;
- (ww) “**Shares**” means the common shares in the capital of EIFH;
- (xx) “**Subsidiary**” a corporation is a Subsidiary of another Person if:
 - (i) it is controlled by:
 - A. that other; or
 - B. that other and one or more Persons, each of which is controlled by that other; or
 - C. two or more Persons, each of which is controlled by that other; or
 - (ii) it is a Subsidiary of a Person that is that other’s Subsidiary;
- (yy) “**Take-over Bid**” means an Offer to Acquire Shares, or securities convertible into Shares if, assuming that the Shares or convertible securities subject to the Offer to

Acquire are acquired and are Beneficially Owned at the date of such Offer to Acquire by the Person making such Offer to Acquire, such Shares (including Shares that may be acquired upon conversion of securities convertible into Shares) together with the Offeror's Securities, constitute in the aggregate 20% or more of the outstanding Shares at the date of the Offer to Acquire; and

- (zz) “**Trading Day**”, when used with respect to any securities, means a day on which the principal Canadian stock exchange on which such securities are listed or admitted to trading is open for the transaction of business or, if the securities are not listed or admitted to trading on any Canadian stock exchange, a Business Day.

1.2 **Currency**

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

1.3 **Headings**

The division of this Agreement into Articles, Sections, Subsections, Clauses, Paragraphs, Subparagraphs or other portions hereof and the insertion of headings, subheadings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 **Calculation of Number and Percentage of Beneficial Ownership of Outstanding Shares**

For purposes of this Agreement, and in addition to the meaning set forth in NI 62-104, the percentage of Shares Beneficially Owned by any Person, shall be and be deemed to be the product (expressed as a percentage) determined by the formula:

$$100 \times A/B$$

where:

- A = the number of votes for the election of directors generally attaching to the Shares Beneficially Owned by such person; and
- B = the number of votes for the election of directors generally attaching to all outstanding Shares.

Where any Person is deemed to Beneficially Own unissued Shares, such Shares shall be deemed to be outstanding for the purpose of calculating the percentage of Shares Beneficially Owned by such Person.

1.5 **Acting Jointly or in Concert**

For the purposes hereof, a Person is acting jointly or in concert with every Person who, as a result of any agreement, commitment or understanding, whether formal or informal, with the first Person or any Associate or Affiliate thereof, acquires or offers to acquire Shares (other than (i) customary agreements with and between underwriters and/or banking group

members and/or selling group members with respect to a public offering or private placement of securities and (ii) pledges of securities in the ordinary course of business).

1.6 **Generally Accepted Accounting Principles**

Wherever in this Agreement reference is made to generally accepted accounting principles, such reference shall be deemed to be the recommendations at the relevant time of the Canadian Institute of Chartered Accountants, or any successor institute, or if adopted by EIFH, the generally adopted accounting principles of the United States, applicable on a consolidated basis (unless otherwise specifically provided herein to be applicable on an unconsolidated basis), as at the date on which a calculation is made or required to be made in accordance with generally accepted accounting principles. Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made for the purpose of this Agreement or any document, such determination or calculation shall, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with generally accepted accounting principles applied on a consistent basis.

**ARTICLE 2.
THE RIGHTS**

2.1 **Issue of Rights; Legend on Share Certificates**

- (a) One Right has been issued, effective at 12:01 (a.m.) (Calgary time) on December 17, 2010, in respect of each Share outstanding as at 12:01 a.m. (Calgary time) on December 17, 2010 (the time of issue of such Rights being herein called the “**Record Time**”) and one Right has been and shall be issued in respect of each Share of EIFH issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time.
- (b) Certificates representing Shares which are issued at and after the Record Time but prior to the earlier of the Separation Time and the Expiration Time, shall also evidence one Right for each Share represented thereby and shall have impressed on, printed on, written on or otherwise affixed to them, prior to the date hereof the legend set forth in Subsection 2.1(b) of the Original Agreement, which legend shall be deemed to be amended for all purposes to read the same as the legend set forth below, and after the date hereof a legend in a form substantially to the following effect:

“Until the Separation Time (defined in the Shareholder Rights Agreement referred to below), this certificate also evidences rights of the holder described in an Amended and Restated Shareholder Rights Plan Agreement dated as of December 17, 2010, as amended and restated effective May 5, 2014 and May 11, 2017 between Enbridge Income Fund Holding Inc. (“**EIFH**”) and CST Trust Company (successor to CIBC Mellon Trust Company), as such may be further supplemented and amended from time to time

(the “**Shareholder Rights Agreement**”), the terms of which are incorporated herein by reference and a copy of which is on file at the principal executive offices of Enbridge Management Services Inc., the manager of EIFH. Under certain circumstances set out in the Shareholder Rights Agreement, the rights may expire, may become null and void or may be evidenced by separate certificates and no longer evidenced by this certificate. EIFH will mail or arrange for the mailing of a copy of the Shareholder Rights Agreement to the holder of this certificate without charge as soon as practicable after the receipt of a written request therefor.”

- (c) Any Shares issued and registered in Book Entry Form after the Record Time but prior to the earlier of the Separation Time and the Expiration Time shall evidence, in addition to the Shares, one Right for each Share represented thereby and the registration record of such Shares shall include the foregoing legend, adapted accordingly as the Rights Agent may reasonably require.

2.2 **Initial Exercise Price; Exercise of Rights; Detachment of Rights**

- (a) Subject to adjustment as herein set forth, each Right will entitle the holder thereof, from and after the Separation Time and prior to the Expiration Time, to purchase one Share for the Exercise Price (and the Exercise Price and number of Shares are subject to adjustment as set forth below). Notwithstanding any other provision of this Agreement, any Rights held by EIFH or any of its Subsidiaries shall be void.
- (b) Until the Separation Time:
 - (i) the Rights shall not be exercisable and no Right may be exercised; and
 - (ii) each Right will be evidenced by the certificate for the associated Share of EIFH registered in the name of the holder thereof (which certificate shall also be deemed to represent a Rights Certificate) or by Book Entry Form registration for the associated Share and will be transferable only together with, and will be transferred by a transfer of, such associated Share.
- (c) From and after the Separation Time and prior to the Expiration Time:
 - (i) the Rights shall be exercisable; and
 - (ii) the registration and transfer of Rights shall be separate from and independent of Shares.

Promptly following the Separation Time, EIFH will determine whether it wishes to issue Rights Certificates or whether it will maintain the Rights in Book Entry Form. In the event that EIFH determines to maintain Rights in Book Entry Form, it will put in place such alternative procedures as are determined necessary in consultation with the Rights Agent for the Rights to be maintained in Book Entry

Form (the “**Book Entry Rights Exercise Procedures**”), it being hereby acknowledged that such procedures shall, to the greatest extent possible, replicate in all substantive respects the procedures set out in this Agreement with respect to the exercise of the Rights Certificates and that the procedures set out in this Agreement shall be modified only to the extent necessary, as reasonably determined by the Rights Agent, to permit EIFH to maintain the Rights in Book Entry Form. In such event, the Book Entry Rights Exercise Procedures shall be deemed to replace the procedures set out in this Agreement with respect to the exercise of Rights and all provisions of this Agreement referring to the Rights Certificates shall be applicable to Rights registered in Book Entry Form in like manner as the Rights in certificated form.

In the event that EIFH determines to issue Rights Certificates, it will prepare and the Rights Agent will mail to each holder of record of Shares as of the Separation Time (other than an Acquiring Person, any other Person whose Rights are or become void pursuant to the provisions of Subsection 3.1(b) and, in respect of any Rights Beneficially Owned by such Acquiring Person which are not held of record by such Acquiring Person, the holder of record of such Rights (a “**Nominee**”)) at such holder’s address as shown by the records of EIFH (EIFH hereby agreeing to furnish copies of such records to the Rights Agent for this purpose):

- (x) a Rights Certificate appropriately completed, representing the number of Rights held by such holder at the Separation Time and having such marks of identification or designation and such legends, summaries or endorsements printed thereon as EIFH may deem appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law, rule or regulation or with any rule or regulation of any self-regulatory organization, stock exchange or quotation system on which the Rights may from time to time be listed or traded, or to conform to usage; and
- (y) a disclosure statement describing the Rights,

provided that a Nominee shall be sent the materials provided for in (x) and (y) in respect of all Shares of EIFH held of record by it which are not Beneficially Owned by an Acquiring Person.

- (d) In the event that EIFH determines to issue Rights Certificates, Rights may be exercised, in whole or in part, on any Business Day after the Separation Time and prior to the Expiration Time by submitting to the Rights Agent:
 - (i) the Rights Certificate evidencing such Rights;
 - (ii) an election to exercise such Rights (an “**Election to Exercise**”) substantially in the form attached to the Rights Certificate appropriately completed and executed by the holder or his executors or administrators or

other personal representatives or his or their legal attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Rights Agent; and

- (iii) payment by certified cheque, banker's draft or money order payable to the order of EIFH, of a sum equal to the Exercise Price multiplied by the number of Rights being exercised and a sum sufficient to cover any transfer tax or governmental charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Shares in a name other than that of the holder of the Rights being exercised.
- (e) In the event that EIFH determines to issue Rights Certificates, then upon receipt of a Rights Certificate, together with a completed Election to Exercise executed in accordance with Clause 2.2(d)(ii), which does not indicate that such Right is null and void as provided by Subsection 3.1(b), and payment as set forth in Clause 2.2(d)(iii), the Rights Agent (unless otherwise instructed by the EIFH Directors in the event that the EIFH Directors are of the opinion that the Rights cannot be exercised in accordance with this Agreement) will thereupon promptly:
- (i) requisition from the transfer agent certificates representing the number of such Shares to be purchased (EIFH hereby irrevocably authorizing its transfer agent to comply with all such requisitions);
 - (ii) when appropriate, requisition from EIFH the amount of cash to be paid in lieu of issuing fractional Shares in accordance with Subsection 5.5(b);
 - (iii) after receipt of the certificates referred to in Clause 2.2(e)(i), deliver the same to or upon the order of the registered holder of such Rights Certificates, registered in such name or names as may be designated by such holder;
 - (iv) when appropriate, after receipt, deliver the cash referred to in Clause 2.2(e)(ii) to or to the order of the registered holder of such Rights Certificate; and
 - (v) remit to EIFH all payments received on exercise of the Rights.
- (f) In case the holder of any Rights shall exercise less than all the Rights evidenced by such holder's Rights Certificate, a new Rights Certificate evidencing the Rights remaining unexercised (subject to the provisions of Subsection 5.5(a)) will be issued by the Rights Agent to such holder or to such holder's duly authorized assigns.
- (g) EIFH covenants and agrees that it will:
- (i) take all such action as may be necessary and within its power to ensure that all Shares delivered upon exercise of Rights shall, at the time of

delivery of the certificates for such Shares (subject to payment of the Exercise Price), be duly and validly authorized, executed, issued and delivered as fully paid and non-assessable;

- (ii) take all such action as may be necessary and within its power to comply with the requirements of the ABCA, the Securities Act and the securities laws or comparable legislation of each of the provinces of Canada and any other applicable law, rule or regulation, in connection with the issuance and delivery of the Rights Certificates and the issuance of any Shares upon exercise of Rights;
- (iii) use reasonable efforts to cause all Shares issued upon exercise of Rights to be listed on the stock exchanges on which such Shares were traded immediately prior to the Share Acquisition Date;
- (iv) cause to be reserved and kept available out of the authorized and unissued Shares, the number of Shares that, as provided in this Agreement, will from time to time be sufficient to permit the exercise in full of all outstanding Rights;
- (v) pay when due and payable, if applicable, any and all federal, provincial and municipal transfer taxes and charges (not including any income or capital taxes of the holder or exercising holder or any liability of EIFH to withhold tax) which may be payable in respect of the original issuance or delivery of the Rights Certificates, or certificates for Shares to be issued upon exercise of any Rights, provided that EIFH shall not be required to pay any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Shares in a name other than that of the holder of the Rights being transferred or exercised; and
- (vi) after the Separation Time, except as permitted by Section 5.1, not take (or permit any Subsidiary of EIFH to take) any action if at the time such action is taken it is reasonably foreseeable that such action will diminish substantially or otherwise eliminate the benefits intended to be afforded by the Rights.

2.3 **Adjustments to Exercise Price; Number of Rights**

The Exercise Price, the number and kind of securities subject to purchase upon exercise of each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this Section 2.3.

- (a) In the event EIFH shall at any time after the date of this Agreement:
 - (i) declare or pay a distribution on Shares payable in Shares (or other securities exchangeable for or convertible into or giving a right to acquire

Shares or other securities of EIFH) other than pursuant to any optional share distribution program or Dividend Reinvestment Plan;

- (ii) subdivide or change the then outstanding Shares into a greater number of Shares;
- (iii) consolidate or change the then outstanding Shares into a smaller number of Shares; or
- (iv) issue any Shares (or other securities exchangeable for or convertible into or giving a right to acquire Shares or other securities of EIFH) in respect of, in lieu of or in exchange for existing Shares except as otherwise provided in this Section 2.3,

the Exercise Price and the number of Rights outstanding, or, if the payment or effective date therefor shall occur after the Separation Time, the securities purchasable upon exercise of Rights shall be adjusted as of the payment or effective date in the manner set forth below.

If the Exercise Price and number of Rights outstanding are to be adjusted:

- (v) the Exercise Price in effect after such adjustment will be equal to the Exercise Price in effect immediately prior to such adjustment divided by the number of Shares (or other securities) (the "Expansion Factor") that a holder of one Share immediately prior to such distribution, subdivision, change, consolidation or issuance would hold thereafter as a result thereof; and
- (vi) each Right held prior to such adjustment will become that number of Rights equal to the Expansion Factor,

and the adjusted number of Rights will be deemed to be distributed among the Shares with respect to which the original Rights were associated (if they remain outstanding) and the shares issued in respect of such distribution, subdivision, change, consolidation or issuance, so that each such Share (or other security) will have exactly one Right associated with it.

For greater certainty, if the securities purchasable upon exercise of Rights are to be adjusted, the securities purchasable upon exercise of each Right after such adjustment will be the securities that a holder of the securities purchasable upon exercise of one Right immediately prior to such distribution, subdivision, change, consolidation or issuance would hold thereafter as a result of such distribution, subdivision, change, consolidation or issuance.

If, after the Record Time and prior to the Expiration Time, EIFH shall issue any units of securities other than Shares in a transaction of a type described in Clause 2.3(a)(i) or (iv), units of such securities shall be treated herein as nearly equivalent to Shares as may be practicable and appropriate under the

circumstances and EIFH and the Rights Agent agree to amend this Agreement in order to effect such treatment.

In the event EIFH shall at any time after the Record Time and prior to the Separation Time issue any Shares otherwise than in a transaction referred to in this Subsection 2.3(a), each such Share so issued shall automatically have one new Right associated with it, which Right shall be evidenced by the certificate representing such associated Share.

- (b) In the event EIFH shall at any time after the Record Time and prior to the Separation Time fix a record date for the issuance of rights, options or warrants to all holders of Shares entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Shares (or securities convertible into or exchangeable for or carrying a right to purchase Shares) at a price per Share (or, if a security convertible into or exchangeable for or carrying a right to purchase or subscribe for Shares, having a conversion, exchange or exercise price, including the price required to be paid to purchase such convertible or exchangeable security or right per share) less than the Market Price per Share on such record date, the Exercise Price to be in effect after such record date shall be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction:
- (i) the numerator of which shall be the number of Shares outstanding on such record date, plus the number of Shares that the aggregate offering price of the total number of Shares so to be offered (and/or the aggregate initial conversion, exchange or exercise price of the convertible or exchangeable securities or rights so to be offered, including the price required to be paid to purchase such convertible or exchangeable securities or rights) would purchase at such Market Price per Share; and
 - (ii) the denominator of which shall be the number of Shares outstanding on such record date, plus the number of additional Shares to be offered for subscription or purchase (or into which the convertible or exchangeable securities or rights so to be offered are initially convertible, exchangeable or exercisable).

In case such subscription price may be paid by delivery of consideration, part or all of which may be in a form other than cash, the value of such consideration shall be as determined in good faith by the EIFH Directors, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent and the holders of Rights. Such adjustment shall be made successively whenever such a record date is fixed, and in the event that such rights, options or warrants are not so issued, or if issued, are not exercised prior to the expiration thereof, the Exercise Price shall be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed, or to the Exercise Price which would be in effect based upon the number of Shares (or

securities convertible into, or exchangeable or exercisable for Shares) actually issued upon the exercise of such rights, options or warrants, as the case may be.

For purposes of this Agreement, the granting of the right to purchase Shares (whether from treasury or otherwise) pursuant to the Dividend Reinvestment Plan or any employee benefit, option or similar plans shall be deemed not to constitute an issue of rights, options or warrants by EIFH; provided, however, that, in all such cases, the right to purchase Shares is at a price per share of not less than 95 per cent of the current market price per share (determined as provided in such plans) of the Shares.

- (c) In the event EIFH shall at any time after the Record Time and prior to the Separation Time fix a record date for the making of a distribution to all holders of Shares (including any such distribution made in connection with a merger, arrangement or amalgamation) of evidences of indebtedness, cash (other than a regular periodic cash dividend or a distribution referred to in Clause 2.3(a)(i), but including any distribution payable in other securities of EIFH), assets or rights, options or warrants (excluding those referred to in Subsection 2.3(b)), the Exercise Price to be in effect after such record date shall be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction:
- (i) the numerator of which shall be the Market Price per Share on such record date, less the fair market value (as determined in good faith by the EIFH Directors, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent and the holders of Rights), on a per share basis, of the portion of the cash, assets, evidences of indebtedness, rights, options or warrants so to be distributed; and
 - (ii) the denominator of which shall be such Market Price per Share.

Such adjustments shall be made successively whenever such a record date is fixed, and in the event that such a distribution is not so made, the Exercise Price shall be adjusted to be the Exercise Price which would have been in effect if such record date had not been fixed.

- (d) Notwithstanding anything herein to the contrary, no adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least one per cent in the Exercise Price; provided, however, that any adjustments which by reason of this Subsection 2.3(d) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under Section 2.3 shall be made to the nearest cent or to the nearest ten-thousandth of a share. Notwithstanding the first sentence of this Subsection 2.3(d), any adjustment required by Section 2.3 shall be made no later than the earlier of:

- (i) three years from the date of the transaction which gives rise to such adjustment; or
 - (ii) the Expiration Time.
- (e) In the event EIFH shall at any time after the Record Time and prior to the Separation Time issue any securities in the capital of EIFH (other than Shares), or rights, options or warrants to subscribe for or purchase any such securities, or securities convertible into or exchangeable for any such securities, in a transaction referred to in Clause 2.3(a)(i) or (iv), if the EIFH Directors acting in good faith determine that the adjustments contemplated by Subsections 2.3(a), (b) and (c) in connection with such transaction will not appropriately protect the interests of the holders of Rights, the EIFH Directors may determine what other adjustments to the Exercise Price, number of Rights and/or securities purchasable upon exercise of Rights would be appropriate and, notwithstanding Subsections 2.3(a), (b) and (c) above, such adjustments, rather than the adjustments contemplated by Subsections 2.3(a), (b) and (c) above, shall be made. Subject to the prior consent of the holders of the Shares or the Rights obtained as set forth in Subsection 5.4(b) or (c), EIFH and the Rights Agent shall have authority to amend this Agreement as appropriate to provide for such adjustments.
- (f) Each Right originally issued by EIFH subsequent to any adjustment made to the Exercise Price hereunder shall evidence the right to purchase, at the adjusted Exercise Price, the number of Shares purchasable from time to time hereunder upon exercise of a Right immediately prior to such issue, all subject to further adjustment as provided herein.
- (g) Irrespective of any adjustment or change in the Exercise Price or the number of Shares issuable upon the exercise of the Rights, the Rights Certificates theretofore and thereafter issued may continue to express the Exercise Price per Share and the number of Shares which were expressed in the initial Rights Certificates issued hereunder.
- (h) In any case in which this Section 2.3 shall require that an adjustment in the Exercise Price be made effective as of a record date for a specified event, EIFH may elect to defer until the occurrence of such event the issuance to the holder of any Right exercised after such record date the number of Shares and other securities of EIFH, if any, issuable upon such exercise over and above the number of Shares and other securities of EIFH, if any, issuable upon such exercise on the basis of the Exercise Price in effect prior to such adjustment; provided, however, that EIFH shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional Shares (fractional or otherwise) or other securities upon the occurrence of the event requiring such adjustment.
- (i) Notwithstanding anything contained in this Section 2.3 to the contrary, EIFH shall be entitled to make such reductions in the Exercise Price, in addition to those adjustments expressly required by this Section 2.3, as and to the extent that in

their good faith judgment the EIFH Directors shall determine to be advisable, in order that any:

- (i) consolidation or subdivision of Shares;
- (ii) issuance (wholly or in part for cash) of Shares or securities that by their terms are convertible into or exchangeable for Shares;
- (iii) share distributions; or
- (iv) issuance of rights, options or warrants referred to in this Section 2.3,

hereafter made by EIFH to holders of its Shares, shall not be taxable to such shareholders.

- (j) Whenever an adjustment to the Exercise Price or a change in the securities purchasable upon exercise of the Rights is made at any time after the Separation Time pursuant to this Section 2.3, EIFH shall promptly:
 - (i) file with the Rights Agent and with the transfer agent for the Shares, a certificate specifying the particulars of such adjustment or change; and
 - (ii) cause notice of the particulars of such adjustment or change to be given to the holders of the Rights;

provided that failure to file such certificate or to cause such notice to be given as aforesaid, or any defect therein, shall not affect the validity of any such adjustment or change.

2.4 **Date on Which Exercise is Effective**

Each Person in whose name any certificate or confirmation in Book Entry Form for Shares or other securities, if applicable, is issued upon the exercise of Rights shall for all purposes be deemed to have become the holder of record of the Shares or other securities, if applicable, represented thereon, and such certificate or entry shall be dated the date upon which the Rights Certificate evidencing such Rights was duly surrendered in accordance with Subsection 2.2(d) (together with a duly completed Election to Exercise) and payment of the Exercise Price for such Rights (and any applicable transfer taxes and other governmental charges payable by the exercising holder hereunder) was made; provided, however, that if the date of such surrender and payment is a date upon which the Share transfer books of EIFH are closed, such Person shall be deemed to have become the record holder of such Shares on, and such certificate or entry shall be dated, the next succeeding Business Day on which the Share transfer books of EIFH are open.

2.5 **Execution, Authentication, Delivery and Dating of Rights Certificates**

Rights will be evidenced, in the case of Rights in Book Entry Form, by a statement issued under the Rights Agent's direct registration system or, alternatively, if EIFH

determines to issue Rights Certificates, by the following procedures:

- (a) The Rights Certificates shall be executed on behalf of EIFH by an authorized officer of its administrator, Enbridge Management Services Inc. The signature of any authorized officer of Enbridge Management Services Inc. on the Rights Certificates may be manual or by a facsimile or email scanned copy. Rights Certificates bearing signatures of individuals who were at any time the proper officers of Enbridge Management Services Inc. shall bind EIFH, notwithstanding that such individuals or any of them have ceased to hold such offices either before or after the countersignature and delivery of such Rights Certificates.
- (b) Promptly after EIFH learns of the Separation Time, EIFH will notify the Rights Agent of such Separation Time and will deliver Rights Certificates executed by EIFH to the Rights Agent for countersignature, and the Rights Agent shall countersign (manually or by a facsimile or email scanned signature in a manner satisfactory to EIFH) and send such Rights Certificates to the holders of the Rights pursuant to Subsection 2.2(c) hereof. No Rights Certificate shall be valid for any purpose until countersigned by the Rights Agent as aforesaid.
- (c) Each Rights Certificate shall be dated the date of countersignature thereof.

2.6

Registration, Transfer and Exchange

- (a) After the Separation Time, EIFH will cause to be kept a register (the “**Rights Register**”) in which, subject to such reasonable regulations as it may prescribe, EIFH will provide for the registration and transfer of Rights. The Rights Agent is hereby appointed registrar for the Rights (the “**Rights Registrar**”) for the purpose of maintaining the Rights Register for EIFH and registering Rights and transfers of Rights as herein provided and the Rights Agent hereby accepts such appointment. In the event that the Rights Agent shall cease to be the Rights Registrar, the Rights Agent will have the right to examine the Rights Register at all reasonable times.

After the Separation Time and prior to the Expiration Time, upon surrender for registration of transfer or exchange of any Rights Certificate, and subject to the provisions of Subsection 2.6(c), EIFH will execute, and the Rights Agent will manually countersign and deliver, in the name of the holder or the designated transferee or transferees, as required pursuant to the holder’s instructions, one or more new Rights Certificates evidencing the same aggregate number of Rights as did the Rights Certificates so surrendered. Alternatively, in the case of the exercise of Rights in Book Entry Form, the Rights Agent shall provide the holder or the designated transferee or transferees with one or more statements issued under the Rights Agent’s direct registration system evidencing the same aggregate number of Rights as did the direct registration system’s records for the Rights transferred or exchanged.

- (b) All Rights issued upon any registration of transfer or exchange of Rights

Certificates shall be the valid obligations of EIFH, and such Rights shall be entitled to the same benefits under this Agreement as the Rights surrendered upon such registration of transfer or exchange.

- (c) Every Rights Certificate surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to EIFH or the Rights Agent, as the case may be, duly executed by the holder thereof or such holder's attorney duly authorized in writing. As a condition to the issuance of any new Rights Certificate under this Section 2.6, EIFH may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the reasonable fees and expenses of the Rights Agent) connected therewith.

2.7

Mutilated, Destroyed, Lost and Stolen Rights Certificates

- (a) If any mutilated Rights Certificate is surrendered to the Rights Agent prior to the Expiration Time, EIFH shall execute and the Rights Agent shall countersign and deliver in exchange therefor a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so surrendered.
- (b) If there shall be delivered to EIFH and the Rights Agent prior to the Expiration Time:
 - (i) evidence to their reasonable satisfaction of the destruction, loss or theft of any Rights Certificate; and
 - (ii) such security or indemnity as may be reasonably required by them to save each of them and any of their agents harmless;

then, in the absence of notice to EIFH or the Rights Agent that such Rights Certificate has been acquired by a *bona fide* purchaser, EIFH shall execute and upon the request of EIFH, the Rights Agent shall countersign and deliver, in lieu of any such destroyed, lost or stolen Rights Certificate, a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so destroyed, lost or stolen.

- (c) As a condition to the issuance of any new Rights Certificate under this Section 2.7, EIFH may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the reasonable fees and expenses of the Rights Agent) connected therewith.
- (d) Every new Rights Certificate issued pursuant to this Section 2.7 in lieu of any destroyed, lost or stolen Rights Certificate shall evidence the contractual obligation of EIFH, whether or not the destroyed, lost or stolen Rights Certificate shall be at any time enforceable by anyone, and shall be entitled to all the benefits

of this Agreement equally and proportionately with any and all other Rights duly issued hereunder.

2.8 **Persons Deemed Owners of Rights**

EIFH, the Rights Agent and any agent of EIFH or the Rights Agent may deem and treat the Person in whose name a Rights Certificate (or, prior to the Separation Time, the associated Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby for all purposes whatsoever. As used in this Agreement, unless the context otherwise requires, the term “holder” of any Right shall mean the registered holder of such Right (or, prior to the Separation Time, of the associated Share).

2.9 **Delivery and Cancellation of Certificates**

All Rights Certificates surrendered upon exercise or for redemption, registration of transfer or exchange shall, if surrendered to any Person other than the Rights Agent, be delivered to the Rights Agent and, in any case, shall be promptly cancelled by the Rights Agent. EIFH may at any time deliver to the Rights Agent for cancellation any Rights Certificates previously countersigned and delivered hereunder which EIFH may have acquired in any manner whatsoever, and all Rights Certificates so delivered shall be promptly cancelled by the Rights Agent. No Rights Certificate shall be countersigned in lieu of or in exchange for any Rights Certificates cancelled as provided in this Section 2.9, except as expressly permitted by this Agreement. The Rights Agent shall, subject to applicable laws, destroy all cancelled Rights Certificates and, on request, deliver a certificate of destruction to EIFH.

2.10 **Agreement of Rights Holders**

Every holder of Rights, by accepting the same, consents and agrees with EIFH and the Rights Agent and with every other holder of Rights:

- (a) to be bound by and subject to the provisions of this Agreement, as amended from time to time in accordance with the terms hereof, in respect of all Rights held;
- (b) that prior to the Separation Time, each Right will be transferable only together with, and will be transferred by a transfer of, the associated Share certificate representing such Right;
- (c) that after the Separation Time, the Rights Certificates will be transferable only on the Rights Register as provided herein;
- (d) that prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Share certificate) for registration of transfer, EIFH, the Rights Agent and any agent of EIFH or the Rights Agent may deem and treat the Person in whose name the Rights Certificate (or, prior to the Separation Time, the associated Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on such Rights Certificate or the associated Share certificate made by anyone

other than EIFH or the Rights Agent) for all purposes whatsoever, and neither EIFH nor the Rights Agent shall be affected by any notice to the contrary;

- (e) that such holder of Rights has waived his right to receive any fractional Rights or any fractional shares or other securities upon exercise of a Right (except as provided herein);
- (f) that, subject to the provisions of Section 5.4, without the approval of any holder of Rights or Shares and upon the sole authority of the EIFH Directors, acting in good faith, this Agreement may be supplemented or amended from time to time to cure any ambiguity or to correct or supplement any provision contained herein which may be inconsistent with the intent of this Agreement or is otherwise defective, as provided herein; and
- (g) notwithstanding anything in this Agreement to the contrary, neither EIFH nor the Rights Agent shall have any liability to any holder of a Right or any other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligations.

2.11 **Rights Certificate Holder Not Deemed a Shareholder**

No holder, as such, of any Rights or Rights Certificate shall be entitled to vote, receive dividends or distributions or be deemed for any purpose whatsoever the holder of any Share or any other security of EIFH which may at any time be issuable on the exercise of the Rights represented thereby, nor shall anything contained herein or in any Rights Certificate be construed or deemed or confer upon the holder of any Right or Rights Certificate, as such, any right, title, benefit or privilege of a holder of Shares or any other securities of EIFH or any right to vote at any meeting of shareholders of EIFH upon any other matter submitted to holders of Shares or any other securities of EIFH at any meeting thereof, or to give or withhold consent to any action of EIFH, or to receive notice of any meeting or other action affecting any holder of Shares or any other securities of EIFH except as expressly provided herein, or to receive dividends, distributions or subscription rights, or otherwise, until the Right or Rights evidenced by Rights Certificates shall have been duly exercised in accordance with the terms and provisions hereof.

ARTICLE 3. ADJUSTMENTS TO THE RIGHTS

3.1 **Flip-in Event**

- (a) Subject to Subsection 3.1(b) and Section 5.1, in the event that prior to the Expiration Time a Flip-in Event shall occur, each Right shall constitute, effective at the Close of Business on the tenth Trading Day after the Share Acquisition Date, the right to purchase from EIFH, upon exercise thereof in accordance with

the terms hereof, that number of Shares having an aggregate Market Price on the date of consummation or occurrence of such Flip-in Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such right to be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 in the event that after such consummation or occurrence, an event of a type analogous to any of the events described in Section 2.3 shall have occurred).

- (b) Notwithstanding anything in this Agreement to the contrary, upon the occurrence of any Flip-in Event, any Rights that are or were Beneficially Owned on or after the earlier of the Separation Time or the Share Acquisition Date by:
- (i) an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of an Acquiring Person); or
 - (ii) a transferee of Rights, directly or indirectly, from an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of an Acquiring Person), where such transferee becomes a transferee concurrently with or subsequent to the Acquiring Person becoming such in a transfer that the EIFH Directors have determined is part of a plan, arrangement or scheme of an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of an Acquiring Person), that has the purpose or effect of avoiding Clause 3.1(b)(i),

shall become null and void without any further action, and any holder of such Rights (including transferees) shall thereafter have no right to exercise such Rights under any provision of this Agreement and further shall thereafter not have any other rights whatsoever with respect to such Rights, whether under any provision of this Agreement or otherwise.

- (c) From and after the Separation Time, EIFH shall do all such acts and things as shall be necessary and within its power to ensure compliance with the provisions of this Section 3.1, including without limitation, all such acts and things as may be required to satisfy the requirements of the ABCA, the Securities Act and the securities laws or comparable legislation of each of the provinces of Canada and of the United States and each of the states thereof in respect of the issue of Shares upon the exercise of Rights in accordance with this Agreement.
- (d) Any Rights Certificate that represents Rights Beneficially Owned by a Person described in either Clause 3.1(b)(i) or (ii) or transferred to any nominee of any such Person, and any Rights Certificate issued upon transfer, exchange, replacement or adjustment of any other Rights Certificate referred to in this sentence, shall contain the following legend:

“The Rights represented by this Rights Certificate were issued to a Person who was an Acquiring Person or an Affiliate or an Associate of an Acquiring Person (as such terms are defined in the Shareholder Rights Plan Agreement) or a Person who was acting jointly or in concert with an Acquiring Person or an Affiliate or Associate of an Acquiring Person. This Rights Certificate and the Rights represented hereby are void or shall become void in the circumstances specified in Subsection 3.1(b) of the Shareholder Rights Plan Agreement.”

provided, however, that the Rights Agent shall not be under any responsibility to ascertain the existence of facts that would require the imposition of such legend but shall impose such legend only if instructed to do so by EIFH in writing or if a holder fails to certify upon transfer or exchange in the space provided on the Rights Certificate that such holder is not a Person described in such legend. The issuance of a Rights Certificate without the legend referred to in this Subsection 3.1(d) shall have no effect on the provisions of Subsection 3.1(b).

ARTICLE 4. THE RIGHTS AGENT

4.1 General

- (a) EIFH hereby appoints the Rights Agent to act as agent for EIFH and the holders of the Rights in accordance with the terms and conditions hereof, and the Rights Agent hereby accepts such appointment. EIFH may from time to time appoint such co-Rights Agents (“**Co-Rights Agents**”) as it may deem necessary or desirable, subject to the approval of the Rights Agent, acting reasonably. In the event EIFH appoints one or more Co-Rights Agents, the respective duties of the Rights Agent and Co-Rights Agents shall be as EIFH may reasonably determine, with the approval of the Rights Agent and the Co-Rights Agent, all acting reasonably. EIFH agrees to pay all reasonable fees and expenses of the Rights Agent in respect of the performance of its duties under this Agreement. EIFH also agrees to indemnify the Rights Agent, its officers, directors and employees or agents for, and to hold it and them harmless against, any loss, liability, or expense, incurred without negligence, bad faith or wilful misconduct on the part of the Rights Agent, for anything done or omitted by the Rights Agent in connection with the acceptance and administration of this Agreement, including the reasonable costs and expenses of defending against any claim of liability, which right to indemnification will survive the termination of this Agreement or the resignation or removal of the Rights Agent.

- (b) The Rights Agent shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted by it in connection with its administration of this Agreement in reliance upon any certificate for Shares, Rights Certificate, certificate for other securities of EIFH, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document believed by it to be genuine and

to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons.

- (c) EIFH shall inform the Rights Agent in a reasonably timely manner of events which may materially affect the administration of this Agreement by the Rights Agent and at any time, upon request, shall provide to the Rights Agent an incumbency certificate with respect to the then current officers of Enbridge Management Services Inc. or the then current EIFH Directors, provided that failure to inform the Rights Agent of any such events, or any defect therein shall not affect the validity of any action taken hereunder in relation to such events.

4.2 **Merger, Amalgamation or Consolidation or Change of Name of Rights Agent**

- (a) Any corporation into which the Rights Agent may be merged or amalgamated or with which it may be consolidated, or any corporation resulting from any merger, amalgamation, statutory arrangement or consolidation to which the Rights Agent is a party, or any corporation succeeding to the shareholder or stockholder services business of the Rights Agent, will be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of Section 4.4 hereof. In case at the time such successor Rights Agent succeeds to the agency created by this Agreement any of the Rights Certificates have been countersigned but not delivered, any successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Rights Certificates so countersigned; and in case at that time any of the Rights have not been countersigned, any successor Rights Agent may countersign such Rights Certificates in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this Agreement.
- (b) In case at any time the name of the Rights Agent is changed and at such time any of the Rights Certificates shall have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Rights Certificates so countersigned; and in case at that time any of the Rights Certificates shall not have been countersigned, the Rights Agent may countersign such Rights Certificates either in its prior name or in its changed name; and in all such cases such Rights Certificates shall have the full force provided in the Rights Certificates and in this Agreement.

4.3 **Duties of Rights Agent**

The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, all of which EIFH and the holders of certificates for Shares and the holders of Rights Certificates, by their acceptance thereof, shall be bound:

- (a) the Rights Agent may retain and consult with, at the expense of EIFH, legal counsel (who may be legal counsel for EIFH) and the opinion of such counsel will be full and complete authorization and protection to the Rights Agent as to any action taken or omitted by it in good faith and in accordance with such opinion; the Rights Agent may also, with the approval of EIFH (such approval not to be unreasonably withheld) and at the expense of EIFH, consult with such other experts as the Rights Agent shall consider necessary or appropriate to properly carry out the duties and obligations imposed under this Agreement (at the expense of EIFH) and the Rights Agent shall be entitled to rely in good faith on the advice of any such expert;
- (b) whenever in the performance of its duties under this Agreement, the Rights Agent deems it necessary or desirable that any fact or matter be proved or established by EIFH prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by a Person believed by the Rights Agent to be an authorized officer of Enbridge Management Services Inc. on behalf of EIFH and delivered to the Rights Agent; and such certificate will be full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate;
- (c) the Rights Agent will be liable hereunder for its own negligence, bad faith or wilful misconduct;
- (d) the Rights Agent will not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the certificates for Shares or the Rights Certificates (except its countersignature thereof) or be required to verify the same, but all such statements and recitals are and will be deemed to have been made by EIFH only;
- (e) the Rights Agent will not have any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due authorization, execution and delivery hereof by the Rights Agent) or in respect of the validity or execution of any certificate for a Share or Rights Certificate (except its countersignature thereof); nor will it be responsible for any breach by EIFH of any covenant or condition contained in this Agreement or in any Rights Certificate; nor will it be responsible for any change in the exerciseability of the Rights (including the Rights becoming void pursuant to Subsection 3.1(b) hereof) or any adjustment required under the provisions of Section 2.3 hereof or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights after receipt of the certificate contemplated by Section 2.3 describing any such adjustment); nor will it by any act hereunder be deemed to make any representation or warranty as to the authorization of any Shares to be issued pursuant to this Agreement or any Rights

or as to whether any Shares will, when issued, be duly and validly authorized, executed, issued and delivered and fully paid and non-assessable;

- (f) EIFH agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement;
- (g) the Rights Agent is hereby authorized and directed to accept instructions in writing with respect to the performance of its duties hereunder from any individual believed by the Rights Agent to be an authorized officer of Enbridge Management Services Inc. acting on behalf of EIFH, or an EIFH Director acting on behalf of EIFH, and to apply to such individuals for advice or instructions in connection with its duties, and it shall not be liable for any action taken or suffered by it in good faith in accordance with instructions of any such individual;
- (h) the Rights Agent and any shareholder or stockholder, director, officer or employee of the Rights Agent may buy, sell or deal in Shares, Rights or other securities of EIFH or become pecuniarily interested in any transaction in which EIFH may be interested, or contract with or lend money to EIFH or otherwise act as fully and freely as though it were not Rights Agent under this Agreement. Nothing herein shall preclude the Rights Agent from acting in any other capacity for EIFH or for any other legal entity; and
- (i) the Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Rights Agent will not be answerable or accountable for any act, default, neglect or misconduct of any such attorneys or agents or for any loss to EIFH resulting from any such act, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof.

4.4 **Change of Rights Agent**

The Rights Agent may resign and be discharged from its duties under this Agreement upon 60 days' notice (or such lesser notice as is acceptable to EIFH) in writing mailed to EIFH and to each transfer agent of Shares by registered or certified mail. EIFH may remove the Rights Agent upon 60 days' notice in writing, mailed to the Rights Agent and to each transfer agent of the Shares by registered or certified mail. If the Rights Agent should resign or be removed or otherwise become incapable of acting, EIFH will appoint a successor to the Rights Agent. If EIFH fails to make such appointment within a period of 60 days after such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent, then by prior written notice to EIFH the resigning Rights Agent or the holder of any Rights (which holder shall, with such notice, submit such holder's Rights Certificate, if any, for inspection by EIFH), at the expense of EIFH, may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent,

whether appointed by EIFH or by such a court, shall be a corporation incorporated under the laws of Canada or a province thereof authorized to carry on the business of a trust company in the Province of Alberta. After appointment, the successor Rights Agent will be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent, upon payment by EIFH to the predecessor Rights Agent of all the outstanding fees and expenses owed by EIFH to the predecessor Rights Agent pursuant to this Agreement, shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, EIFH will file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Shares and mail a notice thereof in writing to the holders of the Rights in accordance with Section 5.10. Failure to give any notice provided for in this Section 4.4, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of any successor Rights Agent, as the case may be.

ARTICLE 5. MISCELLANEOUS

5.1 Redemption and Waiver

- (a) The EIFH Directors acting in good faith may, until the occurrence of a Flip-in Event, upon prior written notice delivered to the Rights Agent, determine to waive the application of Section 3.1 to a particular Flip-in Event that would result from a Take-over Bid made by way of take-over bid circular to all holders of Shares (which for greater certainty shall not include the circumstances described in Subsection 5.1(h)); provided that if the EIFH Directors waive the application of Section 3.1 to a particular Flip-in Event pursuant to this Subsection 5.1(a), the EIFH Directors shall be deemed to have waived the application of Section 3.1 to any other Flip-in Event occurring by reason of any Take-over Bid which is made by means of a take-over bid circular to all holders of Shares prior to the expiry of any Take-over Bid in respect of which a waiver is, or is deemed to have been, granted under this Subsection 5.1(a).
- (b) Subject to the prior consent of the holders of the Shares or the Rights obtained as set forth in Subsection 5.4(b) or (c), the EIFH Directors acting in good faith may, at their option, at any time prior to the provisions of Section 3.1 becoming applicable as a result of the occurrence of a Flip-in Event, elect to redeem all but not less than all of the outstanding Rights at a redemption price of \$0.001 per Right appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 if an event of the type analogous to any of the events described in Section 2.3 shall have occurred (such redemption price being herein referred to as the "**Redemption Price**").
- (c) Where a Person acquires pursuant to a Permitted Bid, a Competing Permitted Bid or an Exempt Acquisition under Subsection 5.1(a) outstanding Shares, other than Shares Beneficially Owned at the date of the Permitted Bid, the Competing Permitted Bid or the Exempt Acquisition under Subsection 5.1(a) by such Person,

then the EIFH Directors shall immediately upon the consummation of such acquisition without further formality and without any approval under Subsection 5.4(b) or (c) be deemed to have elected to redeem the Rights at the Redemption Price.

- (d) Where a Take-over Bid that is not a Permitted Bid Acquisition is withdrawn or otherwise terminated after the Separation Time has occurred and prior to the occurrence of a Flip-in Event, the EIFH Directors may elect to redeem all the outstanding Rights at the Redemption Price.
- (e) If the EIFH Directors are deemed under Subsection 5.1(c) to have elected, or elect under either of Subsection 5.1(b) or (d), to redeem the Rights, the right to exercise the Rights will thereupon, without further action and without notice, terminate and the only right thereafter of the holders of Rights shall be to receive the Redemption Price.
- (f) Within 10 days after the EIFH Directors are deemed under Subsection 5.1(c) to have elected, or elect under Subsection 5.1(b) or (d), to redeem the Rights, EIFH shall give notice of redemption to the holders of the then outstanding Rights by mailing such notice to each such holder at his last address as it appears upon the registry books of the Rights Agent or, prior to the Separation Time, on the registry books of the transfer agent for the Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of redemption will state the method by which the payment of the Redemption Price will be made.
- (g) Upon the Rights being redeemed pursuant to Subsection 5.1(d), all the provisions of this Agreement shall continue to apply as if the Separation Time had not occurred and Rights Certificates representing the number of Rights held by each holder of record of Shares as of the Separation Time had not been mailed to each such holder and for all purposes of this Agreement the Separation Time shall be deemed not to have occurred and the Rights shall remain attached to the outstanding Shares, subject to and in accordance with the provisions of this Agreement.
- (h) The EIFH Directors may waive the application of Section 3.1 in respect of the occurrence of any Flip-in Event if the EIFH Directors have determined within ten Trading Days following a Share Acquisition Date that a Person became an Acquiring Person by inadvertence and without any intention to become, or knowledge that it would become, an Acquiring Person under this Agreement and, in the event that such a waiver is granted by the EIFH Directors, such Share Acquisition Date shall be deemed not to have occurred. Any such waiver pursuant to this Subsection 5.1(h) must be on the condition that such Person, within 14 days after the foregoing determination by the EIFH Directors or such earlier or later date as the EIFH Directors may determine (the “**Disposition Date**”), has reduced its Beneficial Ownership of Shares such that the Person is no longer an Acquiring Person. If the Person remains an Acquiring Person at the

Close of Business on the Disposition Date, the Disposition Date shall be deemed to be the date of occurrence of a further Share Acquisition Date and Section 3.1 shall apply thereto.

5.2 **Expiration**

No Person shall have any rights whatsoever pursuant to this Agreement or in respect of any Right after the Expiration Time, except the Rights Agent as specified in Subsection 4.1(a) of this Agreement.

5.3 **Issuance of New Rights Certificates**

Notwithstanding any of the provisions of this Agreement or the Rights to the contrary, EIFH may, at its option, issue new Rights Certificates evidencing Rights in such form as may be approved by the EIFH Directors to reflect any adjustment or change in the number or kind or class of securities purchasable upon exercise of Rights made in accordance with the provisions of this Agreement.

5.4 **Supplements and Amendments**

- (a) EIFH may make amendments to this Agreement to correct any clerical or typographical error or, subject to Subsection 5.4(e), which are required to maintain the validity of this Agreement as a result of any change in any applicable legislation, rules or regulations thereunder. Notwithstanding anything in this Section 5.4 to the contrary, no such amendment shall be made to the provisions of Article 4 except with the written concurrence of the Rights Agent to such amendment.
- (b) Subject to Subsection 5.4(a), EIFH may, with the prior consent of the holders of Shares obtained as set forth below, at any time before the Separation Time, amend, vary or rescind any of the provisions of this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Such consent shall be deemed to have been given if the action requiring such approval is authorized by the holders of Shares at a meeting of the holders of Shares called and held in compliance with the articles and by-laws of EIFH and all applicable laws and regulatory requirements. Subject to compliance with any requirements imposed by the foregoing, consent shall be deemed given if the proposed amendment, variation or rescission is approved by the affirmative vote of a majority of the votes cast by those Independent Shareholders entitled to vote on the applicable resolution, whether cast in person or by proxy, at a meeting of the holders of Shares duly called and held in compliance with applicable laws.
- (c) EIFH may, with the prior consent of the holders of Rights obtained as set forth below, at any time after the Separation Time and before the Expiration Time, amend, vary or rescind any of the provisions of this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally), provided that no such amendment, variation or

deletion shall be made to the provisions of Article 4 except with the written concurrence of the Rights Agent thereto. EIFH shall give notice in writing to the Rights Agent of any supplement, amendment, deletion, variation or rescission to this Agreement within five Business Days of the date of any such supplement, amendment, deletion, variation or rescission, provided that failure to give such notice, or any defect therein, shall not affect the validity of any such supplement, amendment, deletion, variation or rescission. Consent shall be deemed to have been given if the proposed amendment, variation or rescission is approved in accordance with Subsection 5.4(d) by the Rights Holders at a Rights Holders' Special Meeting called and held in compliance with applicable laws and regulatory requirements and in accordance with Subsection 5.4(d).

- (d) Any consent or approval of the holders of Rights shall be deemed to have been given if the action, amendment, variation or rescission requiring such approval is authorized or approved by the affirmative vote of a majority of the votes cast by the holders of Rights (other than holders of Rights whose Rights have become null and void pursuant to the provisions hereof) entitled to vote on the applicable matter, whether cast in person or by proxy, at the meeting of the holders of Rights. For the purposes hereof, each outstanding Right (other than Rights which are void pursuant to the provisions hereof) shall be entitled to one vote, and the procedures for the calling, holding and conduct of the meeting shall be those, as nearly as may be, which are provided in the articles and by-laws of EIFH and applicable legislation with respect to meetings of shareholders of EIFH.
- (e) Any amendments made by EIFH to this Agreement pursuant to Subsection 5.4(a) which are required to maintain the validity of this Agreement as a result of any change in any applicable legislation, rule or regulation thereunder shall:
 - (i) if made before the Separation Time, be submitted to the shareholders of EIFH at the next meeting of shareholders and the shareholders may, by the majority referred to in Subsection 5.4(b), confirm or reject such amendment;
 - (ii) if made after the Separation Time, be submitted to the holders of Rights at a meeting to be called for on a date not later than immediately following the next meeting of shareholders of EIFH and the holders of Rights may, by resolution passed by the majority referred to in Subsection 5.4(d), confirm or reject such amendment.

Any such amendment shall be effective from the date of the resolution of the EIFH Directors adopting such amendment, until it is confirmed or rejected or until it ceases to be effective (as described in the next sentence) and, where such amendment is confirmed, it continues in effect in the form so confirmed. If such amendment is rejected by the shareholders or the holders of Rights or is not submitted to the shareholders or holders of Rights as required, then such amendment shall cease to be effective from and after the termination of the meeting at which it was rejected or to which it should have been but was not

submitted or from and after the date of the meeting of holders of Rights that should have been but was not held, and no subsequent resolution of the EIFH Directors to amend this Agreement to substantially the same effect shall be effective until confirmed by the shareholders or holders of Rights as the case may be.

5.5 **Fractional Rights and Fractional Shares**

- (a) EIFH shall not be required to issue fractions of Rights or to distribute Rights Certificates which evidence fractional Rights. After the Separation Time, in lieu of issuing fractional Rights, EIFH shall pay to the holders of record of the Rights Certificates (provided the Rights represented by such Rights Certificates are not void pursuant to the provisions of Subsection 3.1(b), at the time such fractional Rights would otherwise be issuable), an amount in cash equal to the fraction of the Market Price of one whole Right that the fraction of a Right that would otherwise be issuable is of one whole Right.
- (b) EIFH shall not be required to issue fractions of Shares upon exercise of Rights or to distribute certificates which evidence fractional Shares. In lieu of issuing fractional Shares, EIFH shall pay to the registered holders of Rights Certificates, at the time such Rights are exercised as herein provided, an amount in cash equal to the fraction of the Market Price of one Share that the fraction of a Share that would otherwise be issuable upon the exercise of such Right is of one whole Share at the date of such exercise.
- (c) The Rights Agent shall have no obligation to make any payments in lieu of issuing fractions of Rights or Shares pursuant to Subsections 5.5(a) or (b), respectively, unless and until EIFH shall have provided to the Rights Agent the amount of cash to be paid in lieu of issuing such fractional Rights or Shares, as the case may be.

5.6 **Rights of Action**

Subject to the terms of this Agreement, all rights of action in respect of this Agreement, other than rights of action vested solely in the Rights Agent, are vested in the respective holders of the Rights. Any holder of Rights, without the consent of the Rights Agent or of the holder of any other Rights, may, on such holder's own behalf and for such holder's own benefit and the benefit of other holders of Rights, enforce, and may institute and maintain any suit, action or proceeding against EIFH to enforce such holder's right to exercise such holder's Rights, or Rights to which such holder is entitled, in the manner provided in such holder's Rights Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement and will be entitled to specific performance of the obligations under, and injunctive relief against actual or threatened violations of the obligations of any Person subject to, this Agreement.

5.7 **Regulatory Approvals**

Any obligation of EIFH or action or event contemplated by this Agreement, including any amendment hereof, shall be subject to the receipt of any requisite approval or consent from any governmental or regulatory authority, and without limiting the generality of the foregoing, necessary approvals of the Toronto Stock Exchange and other exchanges shall be obtained, such as to the issuance of Shares upon the exercise of Rights under Subsection 2.2(d).

5.8 **Declaration as to Non-Canadian Holders**

If in the opinion of the EIFH Directors (who may rely upon the advice of counsel) any action or event contemplated by this Agreement would require compliance by EIFH with the securities laws or comparable legislation of a jurisdiction outside Canada, the EIFH Directors acting in good faith shall take such actions as they may deem appropriate to ensure such compliance. In no event shall EIFH or the Rights Agent be required to issue or deliver Rights or securities issuable on exercise of Rights to persons who are citizens, residents or nationals of any jurisdiction other than Canada, in which such issue or delivery would be unlawful without registration of the relevant Persons or securities for such purposes.

5.9 **Compliance with Money Laundering Legislation**

The Rights Agent shall retain the right to not take any action and shall not be liable for refusing to take any action if, due to a lack of information or for any other reason whatsoever, the Rights Agent reasonably determines that such an action might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Rights Agent reasonably determine at any time that its acting under this Agreement has resulted in it being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days' prior written notice to EIFH, provided: (a) that the Rights Agent's written notice shall describe the circumstances of such non-compliance; and (b) that if such circumstances are rectified to the Rights Agent's satisfaction within such 10-day period, then such resignation shall not be effective.

5.10 **Notices**

- (a) Notices or demands authorized or required by this Agreement to be given or made by the Rights Agent or by the holder of any Rights to or on EIFH shall be sufficiently given or made if delivered, sent by registered or certified mail, postage prepaid (until another address is filed in writing with the Rights Agent), or sent by facsimile or other form of recorded electronic communication, charges prepaid and confirmed in writing, as follows:

Enbridge Income Fund Holdings Inc.
200, 425 – 1st Street S.W.
Calgary, Alberta T2P 3L8

Attention: President

Fax No.: (403) 231-5929

- (b) Notices or demands authorized or required by this Agreement to be given or made by EIFH or by the holder of any Rights to or on the Rights Agent shall be sufficiently given or made if delivered, sent by registered or certified mail, postage prepaid (until another address is filed in writing with EIFH), or sent by facsimile or other form of recorded electronic communication, charges prepaid and confirmed in writing, as follows:

CST Trust Company
600, 333 - 7th Avenue S.W.
Calgary, Alberta T2P 2Z1

Attention: Manager

Fax No.: (403) 776-3916

- (c) Notices or demands authorized or required by this Agreement to be given or made by EIFH or the Rights Agent to or on the holder of any Rights shall be sufficiently given or made if delivered or sent by first class mail, postage prepaid, addressed to such holder at the address of such holder as it appears upon the register of the Rights Agent or, prior to the Separation Time, on the register of EIFH for its Shares. Any notice which is mailed or sent in the manner herein provided shall be deemed given, whether or not the holder receives the notice.
- (d) Any notice given or made in accordance with this Section 5.10 shall be deemed to have been given and to have been received on the day of delivery, if so delivered, on the third Business Day (excluding each day during which there exists any general interruption of postal service due to strike, lockout or other cause) following the mailing thereof, if so mailed, and on the day of fax transmission or sending of the same by other means of recorded electronic communication (provided such sending is during the normal business hours of the addressee on a Business Day and if not, on the first Business Day thereafter). Each of EIFH and the Rights Agent may from time to time change its address for notice by notice to the other given in the manner aforesaid.

5.11 **Costs of Enforcement**

EIFH agrees that if EIFH fails to fulfil any of its obligations pursuant to this Agreement, then EIFH will reimburse the holder of any Rights for the costs and expenses (including legal fees) incurred by such holder to enforce his rights pursuant to any Rights or this Agreement.

5.12 **Successors**

All the covenants and provisions of this Agreement by or for the benefit of EIFH or the Rights Agent shall bind and enure to the benefit of their respective successors and assigns hereunder.

5.13 **Benefits of this Agreement**

Nothing in this Agreement shall be construed to give to any Person other than EIFH, the Rights Agent and the holders of the Rights any legal or equitable right, remedy or claim under this Agreement; further, this Agreement shall be for the sole and exclusive benefit of EIFH, the Rights Agent and the holders of the Rights.

5.14 **Governing Law**

This Agreement and each Right issued hereunder shall be deemed to be a contract made under the laws of the Province of Alberta and for all purposes shall be governed by and construed in accordance with the laws of such Province applicable to contracts to be made and performed entirely within such Province.

5.15 **Severability**

If any term or provision hereof or the application thereof to any circumstance shall, in any jurisdiction and to any extent, be invalid or unenforceable, such term or provision shall be ineffective only as to such jurisdiction and to the extent of such invalidity or unenforceability in such jurisdiction without invalidating or rendering unenforceable or ineffective the remaining terms and provisions hereof in such jurisdiction or the application of such term or provision in any other jurisdiction or to circumstances other than those as to which it is specifically held invalid or unenforceable.

5.16 **Effective Date**

This Agreement replaces and supersedes the Original Agreement and will become effective and in full force and effect in accordance with its terms upon being confirmed and approved by the shareholders of EIFH at the 2017 annual meeting of EIFH.

5.17 **Reconfirmation**

This Agreement must be reconfirmed by a resolution passed by a majority of greater than 50% of the votes cast by all holders of Shares who vote in respect of such reconfirmation at the annual meeting of EIFH to be held in 2020 and at every third annual meeting of EIFH thereafter (each such annual meeting being a “**Reconfirmation Meeting**”). If the Agreement is not so reconfirmed or is not presented for reconfirmation at any such Reconfirmation Meeting, the Agreement and all outstanding Rights shall terminate and be void and of no further force and effect on and from the Close of Business on the date of termination of the applicable Reconfirmation Meeting; provided that termination shall not occur if a Flip-in Event has occurred (other than a Flip-in Event which has been waived pursuant to Subsections 5.1(a) or (h) hereof), prior to the date upon which this Agreement would otherwise terminate pursuant to this Section 5.17.

5.18 **Determinations and Actions by the Board of Directors**

The Board of Directors shall have the exclusive power and authority to administer this Agreement in accordance with the terms hereof. All actions, calculations and determinations

(including all omissions with respect to the foregoing) which are done, made or approved by the EIFH Directors, in good faith, for the purposes hereof shall not subject the EIFH Directors to any liability to the holders of the Rights.

5.19 **Time of the Essence**

Time shall be of the essence in this Agreement.

5.20 **Execution in Counterparts**

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

ENBRIDGE INCOME FUND HOLDINGS INC.

By: (signed) "Perry Schuldhaus"
Name: Perry Schuldhaus
Title: President

By: (signed) "Wanda Opheim"
Name: Wanda Opheim
Title: Treasurer

CST TRUST COMPANY

By: (signed) "Sylvia Stake"
Name: Sylvia Stake
Title: Director, Relationship Management

By: (signed) "Nazim Nathoo"
Name: Nazim Nathoo
Title: Director, Relationship Management

ATTACHMENT 1

**ENBRIDGE INCOME FUND HOLDINGS INC.
SHAREHOLDER RIGHTS PLAN AGREEMENT**

[Form of Rights Certificate]

Certificate No. _____

Rights _____

THE RIGHTS ARE SUBJECT TO REDEMPTION, AT THE OPTION OF ENBRIDGE INCOME FUND HOLDINGS INC., AND AMENDMENT OR TERMINATION ON THE TERMS SET FORTH IN THE SHAREHOLDER RIGHTS PLAN AGREEMENT. UNDER CERTAIN CIRCUMSTANCES (SPECIFIED IN SUBSECTION 3.1(b) OF THE SHAREHOLDER RIGHTS PLAN AGREEMENT), RIGHTS BENEFICIALLY OWNED BY AN ACQUIRING PERSON OR CERTAIN RELATED PARTIES, OR TRANSFEREES OF AN ACQUIRING PERSON OR CERTAIN RELATED PARTIES, MAY BECOME VOID.

RIGHTS CERTIFICATE

This certifies that _____, or registered assigns, is the registered holder of the number of Rights set forth above, each of which entitles the registered holder thereof, subject to the terms, provisions and conditions of the Amended and Restated Shareholder Rights Plan Agreement dated as of December 17, 2010 between EIFH and the Rights Agent, as amended and restated effective May 5, 2014 and May 11, 2017, as the same may be further amended, restated or supplemented from time to time (the “**Shareholder Rights Plan Agreement**”), between Enbridge Income Fund Holdings Inc., a corporation incorporated under the laws of the Province of Alberta (“**EIFH**”) and CST Trust Company (successor to CIBC Mellon Trust Company), a trust company incorporated under the laws of Canada (the “**Rights Agent**”) (which term shall include any successor Rights Agent under the Shareholder Rights Plan Agreement), to purchase from EIFH at any time after the Separation Time (as such term is defined in the Shareholder Rights Plan Agreement) and prior to the Expiration Time (as such term is defined in the Shareholder Rights Plan Agreement), one fully paid common share of EIFH (a “**Share**”) at the Exercise Price referred to below, upon presentation and surrender of this Rights Certificate with the Form of Election to Exercise (in the form provided hereinafter) duly executed and submitted to the Rights Agent at its principal office in any of the cities of Calgary and Toronto. The Exercise Price shall initially be \$● (Cdn.) per Right and shall be subject to adjustment in certain events as provided in the Shareholder Rights Plan Agreement.

In certain circumstances described in the Shareholder Rights Plan Agreement, the number of Shares which each Right entitles the registered holder thereof to purchase shall be adjusted as provided in the Shareholder Rights Plan Agreement.

This Rights Certificate is subject to all of the terms and provisions of the Shareholder Rights Plan Agreement, which terms and provisions are incorporated herein by reference and made a part hereof and to which Shareholder Rights Plan Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Rights Agent, EIFH and the holders of the Rights Certificates. Copies of the Shareholder Rights Plan Agreement are available at the registered office of EIFH.

This Rights Certificate, with or without other Rights Certificates, upon surrender at any of the offices of the Rights Agent designated for such purpose, may be exchanged for another Rights Certificate or Rights Certificates of like tenor and date evidencing an aggregate number of Rights equal to the aggregate number of Rights evidenced by the Rights Certificate or Rights Certificates surrendered. If this Rights Certificate shall be exercised in part, the registered holder shall be entitled to receive, upon surrender hereof, another Rights Certificate or Rights Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Shareholder Rights Plan Agreement, the Rights evidenced by this Certificate may be redeemed by EIFH at a redemption price of \$0.001 per Right, subject to adjustment in certain events, under certain circumstances at its option.

No fractional Shares will be issued upon the exercise of any Rights evidenced hereby, but in lieu thereof a cash payment will be made, as provided in the Shareholder Rights Plan Agreement.

No holder of this Rights Certificate, as such, shall be entitled to vote or receive dividends or be deemed for any purpose the holder of Shares or of any other securities which may at any time be issuable upon the exercise hereof, nor shall anything contained in the Shareholder Rights Plan Agreement or herein be construed to confer upon the holder hereof, as such, any of the Rights of a shareholder of EIFH upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting shareholders (except as provided in the Shareholder Rights Plan Agreement), or to receive dividends or subscription rights, or otherwise, until the Rights evidenced by this Rights Certificate shall have been exercised as provided in the Shareholder Rights Plan Agreement.

This Rights Certificate shall not be valid or obligatory for any purpose until it shall have been countersigned by the Rights Agent.

WITNESS the facsimile signature of a proper officer of EIFH.

Date: _____

ENBRIDGE INCOME FUND HOLDINGS INC.

By: _____

Name:

Title:

Countersigned:

CST TRUST COMPANY

By: _____

Authorized Signature

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer the Rights Certificate.)

FOR VALUE RECEIVED _____ hereby sells, assigns
and transfers unto _____

(Please print name and address of transferee.)

the Rights represented by this Rights Certificate, together with all right, title and interest therein,
and does hereby irrevocably constitute and appoint _____

as attorney, to transfer the within Rights on the books of EIFH, with full power of substitution.

Dated: _____

Signature

Signature Guaranteed:

For transfers signed by the registered holder(s), the signature(s) must correspond with the name(s) on the certificate(s) or statement in every particular, without any changes. The signature(s) on this form must also be guaranteed by one of the following methods:

In Canada and the US: a Medallion Guarantee obtained from a member of an acceptable Medallion Guarantee Program (STAMP, SEMP, or MSP). Many banks, credit unions and broker dealers are members of a Medallion Guarantee Program. The guarantor must affix a stamp in the space above bearing the actual words "Medallion Guaranteed".

In Canada: a Signature Guarantee obtained from a major Canadian Schedule I bank that is not a member of a Medallion Guarantee Program. The guarantor must affix a stamp in the space above bearing the actual words "Signature Guaranteed".

Outside Canada and the US: holders must obtain a guarantee from a local financial institution that has a corresponding affiliate in Canada or the US that is a member of an acceptable Medallion Guarantee Program. The corresponding affiliate must over-guarantee the guarantee provided by the local financial institution.

.....

CERTIFICATE

(To be completed if true.)

The undersigned party transferring Rights hereunder, hereby represents, for the benefit of all holders of Rights and Shares, that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof or a Person acting jointly or in concert with an Acquiring Person or an Affiliate or Associate thereof. Capitalized terms shall have the meaning ascribed thereto in the Shareholder Rights Plan Agreement.

Signature

.....

(To be attached to each Rights Certificate.)

FORM OF ELECTION TO EXERCISE

(To be exercised by the registered holder if such holder desires to exercise the Rights Certificate.)

TO: _____

The undersigned hereby irrevocably elects to exercise whole Rights represented by the attached Rights Certificate to purchase the Shares or other securities, if applicable, issuable upon the exercise of such Rights and requests that certificates for such securities be issued in the name of:

(Name)

(Address)

(City and Province)

Social Insurance Number or other taxpayer identification number.

If such number of Rights shall not be all the Rights evidenced by this Rights Certificate, a new Rights Certificate for the balance of such Rights shall be registered in the name of and delivered to:

(Name)

(Address)

(City and Province)

Social Insurance Number or other taxpayer identification number.

Dated: _____

Signature

Signature Guaranteed:

For transfers signed by the registered holder(s), the signature(s) must correspond with the name(s) on the certificate(s) or statement in every particular, without any changes. The signature(s) on this form must also be guaranteed by one of the following methods:

In Canada and the US: a Medallion Guarantee obtained from a member of an acceptable Medallion Guarantee Program (STAMP, SEMP, or MSP). Many banks, credit unions and broker dealers are members of a Medallion Guarantee Program. The guarantor must affix a stamp in the space above bearing the actual words "Medallion Guaranteed".

In Canada: a Signature Guarantee obtained from a major Canadian Schedule I bank that is not a member of a Medallion Guarantee Program. The guarantor must affix a stamp in the space above bearing the actual words “Signature Guaranteed”.

Outside Canada and the US: holders must obtain a guarantee from a local financial institution that has a corresponding affiliate in Canada or the US that is a member of an acceptable Medallion Guarantee Program. The corresponding affiliate must over-guarantee the guarantee provided by the local financial institution.

.....

CERTIFICATE

(To be completed if true.)

The undersigned party exercising Rights hereunder, hereby represents, for the benefit of all holders of Rights and Shares, that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof or a Person acting jointly or in concert with an Acquiring Person or an Affiliate or Associate thereof. Capitalized terms shall have the meaning ascribed thereto in the Shareholder Rights Plan Agreement.

Signature

.....

(To be attached to each Rights Certificate.)

NOTICE

In the event the certification set forth above in the Forms of Assignment and Election is not completed, EIFH will deem the Beneficial Owner of the Rights evidenced by this Rights Certificate to be an Acquiring Person or an Affiliate or Associate thereof. No Rights Certificates shall be issued in exchange for a Rights Certificate owned or deemed to have been owned by an Acquiring Person or an Affiliate or Associate thereof, or by a Person acting jointly or in concert with an Acquiring Person or an Affiliate or Associate thereof.