



NOTICE OF CONVERSION PRIVILEGE

TO: CDS & CO., AS SOLE REGISTERED HOLDER OF THE CUMULATIVE REDEEMABLE FIRST PREFERRED SHARES, SERIES AQ (the “Series AQ Preferred Shares”) OF BCE INC.

NOTICE IS HEREBY GIVEN THAT:

1. Holders of BCE Inc. fixed-rate Series AQ Preferred Shares have the right to convert all or part of their shares, effective on October 1, 2018, on a one-for-one basis, into floating-rate Cumulative Redeemable First Preferred Shares, Series AR of BCE Inc. (the “Series AR Preferred Shares”). In order to convert their shares, holders must exercise their right of conversion during the conversion period, which runs from September 4, 2018 until 5:00 p.m. (Montréal/Toronto time) on September 14, 2018.
2. Holders not wishing to convert or who do not comply with the instructions set out in paragraph 3 below by the appropriate deadline will, subject to paragraph 6 below, retain their Series AQ Preferred Shares and, accordingly, will continue to receive a fixed quarterly dividend as described in paragraph 4 below. However, but subject to paragraph 6 below, on September 30, 2023, and every five years thereafter, holders of both Series AQ Preferred Shares and Series AR Preferred Shares will have the right to convert their shares into shares of the other series.
3. In order to exercise its conversion right in respect of all or part of its Series AQ Preferred Shares, the registered holder must provide a written notice thereof, accompanied by its Series AQ Preferred Share certificates with the transfer form on the back thereof or other appropriate stock transfer power of attorney duly endorsed, and deliver them, at the latest by 5:00 p.m. (Montréal/Toronto time) on September 14, 2018, to one of the following addresses of AST Trust Company (Canada):

By Mail:

P.O. Box 1036
Adelaide Street Postal Station
Toronto, (Ontario) M5C 2K4
CANADA
Attention: Corporate Actions

By Personal Delivery, Courier or Registered Mail:

1 Toronto Street, Suite 1200
Toronto (Ontario) M5C 2V6
CANADA
Attention: Corporate Actions

Delivery may be done in person, by courier, by registered mail or by mail. However, if share certificates are delivered by courier, by registered mail or by mail, the registered shareholder must ensure that they are sent sufficiently in advance so that they are received by AST Trust Company (Canada) by the above-mentioned deadline.

Beneficial holders who wish to exercise their conversion right should communicate with their broker or other nominee to obtain instructions for exercising such right during the conversion period.

4. The Series AQ Preferred Shares will, should they remain outstanding, pay, on a quarterly basis, as and when declared by the Board of Directors of BCE Inc., a fixed cash dividend for the following five years that will be based on a fixed rate equal to the sum of: (a) the yield to maturity compounded semi-annually (the “Government of Canada Yield”), computed on August 31, 2018 in accordance with the articles of BCE Inc., of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years, and (b) 2.64%. The “Government of Canada Yield” computed on August 31, 2018 is 2.172%. Accordingly, the annual fixed dividend rate applicable to the Series AQ Preferred Shares for the period of five years beginning on September 30, 2018 will be 4.812%.
5. The Series AR Preferred Shares, if issued, will pay, for each quarterly period beginning with the quarterly period from and including September 30, 2018 up to but excluding December 31, 2018, as and when declared by the Board of Directors of BCE Inc., a quarterly floating dividend rate equal to the “Floating Quarterly Dividend Rate” for such quarterly period. The “Floating Quarterly Dividend Rate” for any such quarterly period shall be equal to the rate, expressed as a percentage, equal to the sum of: (a) the “T-Bill

Rate”, calculated in accordance with the articles of BCE Inc. on the 30th day prior to the first day of the new quarterly period, and (b) 2.64%, calculated on the basis of the actual number of days in such quarterly period divided by 365. The “T-Bill Rate” means, for any quarterly period, the average yield expressed as a percentage per annum on three-month Government of Canada Treasury Bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable calculation date. The “Floating Quarterly Dividend Rate” computed on August 31, 2018 and applicable to the Series AR Preferred Shares for the quarterly period beginning on September 30, 2018 will be 1.04578% (annual rate of 4.149%, based on an initial T-Bill Rate of 1.509%).

6. After the end of the conversion period on September 14, 2018, if BCE Inc. determines that there would be less than 1,000,000 Series AQ Preferred Shares outstanding after the conversion date (October 1, 2018), BCE Inc. will automatically convert all remaining Series AQ Preferred Shares into Series AR Preferred Shares. However, if BCE Inc. determines that there would be less than 1,000,000 Series AR Preferred Shares outstanding after the conversion date, then no Series AQ Preferred Shares will be converted into Series AR Preferred Shares.
7. For any questions about the steps to be followed, please contact AST Trust Company (Canada) at 1-800-561-0934, the transfer agent and registrar for BCE Inc.’s preferred shares.

DATED in Montréal, this 31st day of August, 2018.



Glen LeBlanc
Executive Vice-President and Chief Financial Officer
BCE Inc.