

Class A Preference Shares, Series 13 - BAM.PR.K

CUSIP: 112585 87 2

Share Provisions

The Class A Preference Shares, Series 13 (the "Series 13 Preferred Shares") trade on the Toronto Stock Exchange under the symbol **BAM.PR.K**.

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| Date Issued | December 31, 2004 |
| Issue Price | C\$25.00 |
| Number Outstanding | 9,999,000 |
| Prior Designation | Floating Rate Class I Preferred Shares, Series A and Class II Preferred Shares, Series Three of Brascan Financial Corporation, a predecessor of Brookfield Asset Management Inc. |

The following is a summary of certain provisions of the Series 13 Preferred Shares. Please also refer to the Disclaimer and General Terms.

Dividends

The holders of the Series 13 Preferred Shares are entitled to receive cumulative preferential cash dividends, accruing daily, as and when declared by the board of directors of Brookfield Asset Management, payable quarterly on the last day of March, June, September and December in each year in an amount per share equal to C\$25.00 multiplied by one quarter of 70% of the "Average Prime Rate" (as defined in the share conditions).

Redemption

Each of the Series 13 Preferred Shares is redeemable at any time in whole or in part from time to time at the option of Brookfield Asset Management at a redemption price of C\$25.00 per share together with all accrued and unpaid dividends thereon up to but excluding the date fixed for redemption. Notice of any redemption must be given by the company at least 30 days and not more than 60 days prior to the date fixed for redemption.

Purchase for Cancellation

Brookfield Asset Management may purchase (if obtainable) for cancellation the whole or any part of the Series 13 Preferred Shares in the open market or by invitation for tenders at a price not exceeding C\$25.00 per share plus accrued and unpaid dividends and reasonable costs of purchase.

Restrictions on Dividends and Retirement and Issue of Shares

Brookfield Asset Management will not without the approval of the holders of the Series 13 Preferred Shares:

1. declare, pay or set apart for payment any dividends (other than stock dividends in shares of the company ranking as to capital and dividends junior to the Series 13 Preferred Shares) on shares of the company ranking as to dividends junior to the Series 13 Preferred Shares;
2. except out of the net cash proceeds of a substantially concurrent issue of shares ranking as to capital and dividends junior to the Series 13 Preferred Shares, redeem or call for redemption, purchase or otherwise pay off or retire for value any shares of the company ranking as to capital junior to the Series 13 Preferred Shares;
3. redeem or call for redemption, purchase or otherwise pay off or retire for value less than all of the Series 13 Preferred Shares;
4. except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption, purchase or otherwise pay off or retire for value any shares of the company ranking as to capital on a parity with the Series 13 Preferred Shares; or



5. issue any additional Series 13 Preferred Shares or any shares ranking as to dividends or capital on a parity with the Series 13 Preferred Shares;

unless, in each such case, all dividends then payable on the Series 13 Preferred Shares then outstanding and on all other shares of the company ranking as to dividends on a parity with the Series 13 Preferred Shares accrued up to and including the dividends payable on the immediately preceding respective date or dates for the payment of dividends thereon, shall have been declared and paid or set apart for payment.

Shareholder Approvals

The approval of all amendments to the rights, privileges, restrictions and conditions attaching to the company's Series 13 Preferred Shares as a series and any other approval to be given by the holders of the Series 13 Preferred Shares may be given by a resolution carried by an affirmative vote of at least 66 2/3% of the votes cast at a meeting at which the holders of a majority of the outstanding Series 13 Preferred Shares are present or represented by proxy or, if no quorum is present at such meeting, at an adjourned meeting at which the holders of Series 13 Preferred Shares then present would form the necessary quorum. At any meeting of holders of Series 13 Preferred Shares as a series, each such holder shall be entitled to one vote in respect of each Series 13 Preferred Share held.

Voting Rights

At any time Brookfield Asset Management fails to pay in the aggregate eight quarterly dividends on the Series 13 Preferred Shares and thereafter until such time as all arrears of dividends on the Series 13 Preferred Shares are paid, the holders of Series 13 Preferred Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the company other than any meeting of the holders of any other class or series of shares of the company held separately as a class or series, but shall not be entitled to vote thereat, except in the election of directors in which case the holders of the Series 13 Preferred Shares shall be entitled to one vote per share (provided that holders of the Series 13 Preferred Shares shall vote together with holders of Class A Limited Voting Shares in the election of one-half of the board of directors). Except as aforesaid or as permitted by law, the holders of Series 13 Preferred Shares are not entitled to notice of or to attend any meeting of the shareholders of the company or to vote at any such meeting.

At a class meeting of holders of Series 13 Preferred Shares, or at a joint meeting of the holders of two or more series of Series 13 Preferred Shares, each Series 13 Preferred Shares will have one vote.

Liquidation, Dissolution and Winding-up

In the event of the liquidation, dissolution or winding-up of Brookfield Asset Management or any other distribution of assets of the company among its shareholders for the purpose of winding-up its affairs, the holders of the Series 13 Preferred Shares will be entitled to receive C\$25.00 per share, together with all accrued and unpaid dividends up to but excluding the date fixed for payment, before any amount is paid or any assets of the company are distributed to the holders of any shares ranking junior as to capital to the Series 13 Preferred Shares. The holders of the Series 13 Preferred Shares will not be entitled to share in any further distribution of the assets of the company.

