

Executive Offices:
155 Gordon Baker Road, Suite 300
Toronto, Ontario M2H 3N5



NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "Meeting") of the holders ("Unitholders") of trust units ("Units") of Chemtrade Logistics Income Fund (the "Fund") will be held at 10:00 a.m. (Toronto time) on Thursday, May 12, 2016 at the Gallery, TSX Broadcast Centre, The Exchange Tower, 130 King Street West, Toronto, Ontario for the following purposes:

- (a) to receive the financial statements of the Fund for the period ended December 31, 2015 and the report of the auditors thereon;
- (b) to appoint auditors for the ensuing year and to authorize the trustees to fix the remuneration to be paid to the auditors;
- (c) to elect trustees for the ensuing year;
- (d) to pass a special resolution, in the form attached as Appendix B to the accompanying management information circular (the "Information Circular"), authorizing and approving certain amendments to the Declaration of Trust (as defined in the Information Circular) designed to further align the Declaration of Trust with evolving governance best practices; and
- (e) to transact such other business as may properly come before the Meeting and any and all adjournments thereof.

The Information Circular provides additional information relating to matters to be dealt with at the Meeting and forms part of this Notice.

DATED at Toronto, Ontario this 3rd day of March, 2016.

By Order of the Board of Trustees

"Susan M. Paré"

Susan M. Paré
Corporate Secretary

Note: The procedure by which Unitholders may exercise their right to vote with respect to matters at the Meeting will vary depending on whether Unitholders are non-registered Unitholders, being those who hold Units through an intermediary such as a bank, trust company, investment dealer, broker, trustee or plan administrator, or registered Unitholders, being those who hold Units directly in their own names and are entered on the register of Unitholders of the Fund. If you are a non-registered Unitholder, please see the section entitled "Information for Beneficial Holders of Securities" in the accompanying Information Circular. If you are a registered Unitholder and you are not able to be present at the Meeting, please exercise your right to vote by signing and returning the enclosed form of proxy to Computershare Trust Company of Canada so as to arrive not later than 10:00 a.m. (Toronto time) on May 10, 2016 or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before any reconvened Meeting. The enclosed form of proxy may be returned by facsimile to (416) 263-9524 or 1 (866) 249-7775 (toll free within North America), or by mail (a) in the enclosed envelope, or (b) in an envelope addressed to Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1.



MANAGEMENT INFORMATION CIRCULAR

The purpose of the Annual and Special meeting (the “Meeting”) of holders (the “Unitholders”) of trust units (the “Units”) of Chemtrade Logistics Income Fund (the “Fund”) is to elect trustees, to appoint auditors, to receive the 2015 financial statements of the Fund, and to approve certain changes to the Declaration of Trust. Information in this Information Circular is dated as of March 3, 2016, except as otherwise noted. Dollar amounts (\$) referred to herein are to Canadian dollars unless otherwise noted.

THE FUND

The Fund is a limited purpose trust existing under the laws of the Province of Ontario pursuant to an Amended and Restated Declaration of Trust dated May 27, 2004, as amended by the First Supplemental Declaration of Trust dated August 2, 2005 and the Second Supplemental Declaration of Trust dated March 6, 2012 (the “Declaration of Trust”). The Fund holds, directly or indirectly, all of the securities of the primary operating entities of the Fund, and together with all of their subsidiaries are collectively referred to as the “Chemtrade Group”; and the Fund together with all of its subsidiaries are collectively referred to as “Chemtrade”.

The Fund does not carry on any active business but rather is restricted to holding the securities of the Chemtrade Group. The affairs of the Fund are supervised by its board of trustees (the “Trustees” or the “Board”) who are responsible for, among other things, representing the Fund as the owner and security holder of the Chemtrade Group and effecting payments of distributable cash from the Fund to Unitholders.

INFORMATION FOR BENEFICIAL HOLDERS OF SECURITIES

The information set forth in this section is of significant importance to many Unitholders, as a substantial number of them do not hold Units in their own names. Such Unitholders (referred to in this Information Circular as “Beneficial Unitholders”) should note that only proxies deposited by Unitholders whose names are on the records of the Fund as the registered holders of Units can be recognized and acted upon at the Meeting. If Units are listed in an account statement provided to a Unitholder by a broker, then in almost all cases those Units will not be registered in the Unitholder’s name on the records of the Fund. In Canada, the vast majority of such Units will likely be registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Units held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Unitholder. Without specific instructions, brokers/nominees are prohibited from voting Units on behalf of their clients. The Trustees do not know for whose benefit the Units registered in the names of CDS & Co. are held. Therefore, Beneficial Unitholders cannot be recognized at the Meeting for purposes of voting their Units in person or by way of proxy.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Unitholders in advance of Unitholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their Units are voted at the Meeting. Often, the form of proxy supplied

to a Beneficial Unitholder by its broker is identical to that provided to registered Unitholders. However, its purpose is limited to instructing the registered Unitholder how to vote on behalf of the Beneficial Unitholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions (“Broadridge”). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy issued by the Fund and asks Beneficial Unitholders to return the voting instruction form to Broadridge by mail, by calling a toll-free telephone number or by accessing Broadridge’s dedicated voting website at www.proxyvote.com to deliver their voting instructions and vote the Units held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions representing the voting of Units to be represented at the Meeting. A Beneficial Unitholder receiving a voting instruction form cannot use that voting instruction form to vote Units directly at the Meeting. The voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the Units voted. Unitholders who receive forms of proxies or voting materials from organizations other than Broadridge should complete and return such forms of proxies or voting materials in accordance with the instructions in such materials in order to properly vote their Units at the Meeting.

IF YOU ARE A BENEFICIAL UNITHOLDER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE CONTACT YOUR BROKER OR AGENT WELL IN ADVANCE OF THE MEETING TO DETERMINE HOW YOU CAN DO SO.

PROXY SOLICITATION AND VOTING AT THE MEETING

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by the Trustees of the Fund for use at the Meeting to be held on May 12, 2016 at the Gallery, TSX Broadcast Centre, The Exchange Tower, 130 King Street West, Toronto, Ontario at 10:00 a.m. (Toronto time), and at any adjournment thereof, for the purposes set forth in the Notice of Meeting and in this Information Circular. **The solicitation of proxies by this Information Circular is being made on behalf of the Trustees of the Fund and the costs incurred in the preparation and mailing of the form of proxy, Notice of Meeting and this Information Circular will be borne by the Fund.** In addition to the use of mail, proxies may be solicited by personal interviews or by other means of communication or by the Trustees who will not be remunerated therefor.

Appointment of Proxies

The persons named in the enclosed form of proxy are Trustees or officers of the Fund. **A Unitholder who wishes to appoint some other person to represent him/her at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy. Such other person need not be a Unitholder of the Fund.**

To be valid, proxies must be returned to Computershare Trust Company of Canada so as to arrive not later than 10:00 a.m. (Toronto time) on May 10, 2016 or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before any reconvened Meeting. Proxies may be returned by facsimile to (416) 263-9524 or 1 (866) 249-7775 (toll free within North America), or by mail (a) in the enclosed envelope, or (b) in an envelope addressed to Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1.

Revocation of Proxies

A registered Unitholder who has given a proxy may revoke the proxy (a) by completing and signing a proxy bearing a later date and returning it to Computershare Trust Company of Canada in the manner and so as to arrive as described above; or (b) by depositing an instrument in writing executed by the Unitholder or by his/her attorney authorized in writing (i) at the registered office of the Fund at any time up to and including the last business day preceding the day of the Meeting, or any reconvened Meeting, at which the proxy is to be used, or (ii) with the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any reconvened Meeting; or (c) in any other manner permitted by law.

A Beneficial Unitholder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an intermediary at any time by written notice to the intermediary, except that an intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive materials and to vote that is not received by the intermediary at least seven days prior to the Meeting.

Voting of Proxies

The persons named in the accompanying form of proxy will vote or withhold from voting Units in respect of which they are appointed, on any ballot that may be called for, in accordance with the direction of the Unitholder appointing them and if the Unitholder specifies a choice with respect to any matter to be acted upon, the Units will be voted accordingly. **In the absence of such specification, such Units will be voted in favour of the matters to be acted upon as set out herein.** The persons appointed under the form of proxy are conferred with discretionary authority with respect to amendments or variations of those matters specified in the form of proxy and Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matter or business. At the time of printing this Information Circular, the Trustees knew of no such amendment, variation, or other matter.

VOTING UNITS AND PRINCIPAL HOLDERS THEREOF

The Fund is authorized to issue an unlimited number of Units and 69,069,226 Units were issued and outstanding as at March 2, 2016.

At the Meeting, each Unitholder of record at the close of business on March 15, 2016, the record date established for notice of the Meeting (the "Record Date"), will be entitled to one vote for each Unit held by such person on all matters proposed to come before the Meeting, except to the extent that such person has transferred any Units after the Record Date and the transferee of such Units establishes ownership thereof and makes a written demand to the Corporate Secretary of the Fund, not later than 10 days before the Meeting, to be included in the list of Unitholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote such Units.

To the knowledge of the Trustees of the Fund, the only person or company which beneficially owned, directly or indirectly, or exercised control or direction over Units carrying more than 10% of the votes attached to Units of the Fund is Sentry Investments, Inc. which filed an Alternative Monthly Early Warning Report pursuant to National Instrument 62-103 dated June 10, 2015 reporting ownership of 12,510,600 Units representing approximately 18.32% of the outstanding Units as at May, 2015.

MATTERS TO BE CONSIDERED AT THE MEETING

Financial Statements

The consolidated financial statements of the Fund for the period ended December 31, 2015, together with the auditors' report thereon, are contained in the 2015 Annual Report mailed to Unitholders with this Information Circular.

Appointment of Auditors

It is proposed that the firm of KPMG LLP be re-appointed as auditors of the Fund, to hold office until the next annual meeting of the Unitholders or until their successor is appointed and that the Trustees be authorized to fix the remuneration of the auditors. KPMG LLP have been the auditors of the Fund since the Fund's inception in 2001. The persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, will vote such proxies in favour of a resolution to re-appoint KPMG LLP as auditors of the Fund and authorize the Trustees to fix their remuneration.

Election of Trustees

The Declaration of Trust provides that the Fund shall have a minimum of three Trustees and a maximum of ten Trustees. The number of Trustees to be elected at the Meeting has been fixed at seven. The persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, intend to vote for the election, as Trustees, of the proposed nominees whose names are set out below (the "Nominees").

The Board has three standing committees – the Audit Committee; the Compensation and Corporate Governance Committee; and the Responsible Care Committee. It is not contemplated that any of the proposed nominees will be unable to serve as a Trustee but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. Each Trustee elected will hold office until the next annual meeting or until his or her successor is elected or appointed. The Board has adopted a majority voting policy, such that any trustee in an uncontested election with a majority of "withheld" votes shall promptly submit his or her resignation for consideration. The Board shall consider whether or not to accept such resignation and shall issue a news release within 90 days of the election meeting disclosing its determination.

The following table sets forth the names of, and certain additional information for, the Nominees:

NOMINEES					
Name, Age, Residence and Principal Occupation	Trustee Since	Ownership or Control over Units⁽¹⁾	Value of Units (\$)⁽¹⁾	Deferred Units⁽²⁾	Value of Deferred Units (\$)
DAVID COLCLEUGH ⁽³⁾ Age: 78 Mississauga, Ontario, Canada Corporate Director	December 17, 2003	25,740	435,521	69,840	1,181,688
MARK DAVIS ⁽⁵⁾⁽⁶⁾ Age: 57 Toronto, Ontario, Canada Chief Executive Officer, Fund	May 16, 2013	197,538	3,342,343	Nil	Nil
LUCIO DI CLEMENTE ⁽³⁾ Age: 57 Toronto, Ontario, Canada Management Consultant & Corporate Director	July 7, 2009	1,526	25,820	21,193	358,593
DAVID GEE ⁽³⁾⁽⁵⁾ Age: 68 Barrie, Ontario, Canada Corporate Director	March 19, 2007	Nil	Nil	50,144	848,428
SUSAN MCARTHUR ⁽³⁾⁽⁷⁾ Age: 53 Toronto, Ontario, Canada Managing Partner, GreenSoil Investments Inc.	August 8, 2012	3,800	64,296	12,802	216,609
KATHERINE RETHY ⁽³⁾⁽⁸⁾ Age: 59 Huntsville, Ontario, Canada Corporate Director	July 1, 2015	1,000	16,920	3,803	64,355
LORIE WAISBERG ⁽⁴⁾⁽⁹⁾ Age: 74 Toronto, Ontario, Canada Corporate Director	May 17, 2001	5,500	93,060	37,586	635,959

NOTES:

- (1) The information as to Units beneficially owned, directly or indirectly, not being within the knowledge of the Fund, has been furnished by the respective Nominees individually.
- (2) See "Trustee Compensation – Deferred Unit Plan" below.
- (3) Member of the Audit Committee; the Compensation and Corporate Governance Committee and the Responsible Care Committee of the Fund.
- (4) Member of the Compensation and Corporate Governance Committee and the Responsible Care Committee of the Fund.
- (5) Messrs. Davis and Gee were appointed as two of the initial Trustees when the Fund was established. They served in this role from 2001 until 2004 when the number of Trustees was reduced. Mr. Gee was re-appointed Trustee effective March 19, 2007 and Mr. Davis was re-elected as a Trustee on May 16, 2013.
- (6) Mr. Davis also serves on the board of directors of Great Canadian Gaming Corporation.
- (7) Ms. McArthur also serves on the board of directors of Great-West Lifeco Inc., First Capital Realty Inc. and KP Tissue Inc.
- (8) Ms. Rethy also serves on the board of directors of Toromont Industries Ltd.
- (9) Mr. Waisberg also serves on the board of directors of: Tembec Inc., Americas Silver Corporation, (formerly Scorpio Mining Corporation), Metalex Ventures Ltd., Chantrell Ventures Corp. and Northern Uranium Corp.

All Nominees (excluding Katherine Rethy who was appointed as a Trustee of the Fund by the Board effective July 1, 2015) were re-elected as Trustees of the Fund at the 2015 Annual Meeting. Detailed results of the vote for the re-election of Trustees for 2015 are set out below:

Nominees	Votes For	%For	Votes Withheld	% Withheld
David Colcleugh	33,833,582	97.96	706,269	2.04
Mark Davis	34,165,403	98.92	374,448	1.08
Lucio Di Clemente	33,860,622	98.03	679,229	1.97
David Gee	33,674,278	97.49	865,573	2.51
Susan McArthur	33,835,283	97.96	704,568	2.04
Lorie Waisberg	32,935,466	95.35	1,604,385	4.65

David Colcleugh – Mr. Colcleugh has been a Trustee of the Fund since 2003 and has served as the Chair of the Compensation and Corporate Governance Committee since 2007. He has extensive business experience, having held numerous positions at Dupont Canada over a period of 39 years, including serving as Chairman, President and Chief Executive Officer of DuPont Canada Inc. from 1997 to 2003. Mr. Colcleugh holds a BAsC, MASc and PhD from the University of Toronto, Faculty of Applied Science and Engineering (the “Faculty”). Mr. Colcleugh teaches a leadership development course at the Faculty and has done so since 2007. In addition, Mr. Colcleugh has served on numerous public and private boards of directors.

Mark Davis – Mr. Davis has served as the Chief Executive Officer (“CEO”) of the Fund since its initial public offering (“IPO”) in 2001, and was initially a Trustee until the Board was restructured in 2004. He was re-elected to the Board in 2013. The Fund was formed as a spin-out of Marsulex Inc. (“Marsulex”), and Mr. Davis served as Marsulex’s President, North American Operations from 1999 to 2001 and prior to that, as President of Sterling Pulp Chemicals Inc. from 1996 to 1999. In addition to this chemical industry experience, Mr. Davis gained a broad exposure to a number of industries when he was a partner with Borden Elliot LLP, one of Toronto’s major law firms. He is currently on the board of directors of Great Canadian Gaming Corporation and is a director of Mount Sinai Hospital Foundation of Toronto, which is a not-for-profit organization. Mr. Davis has also served on a number of boards in the past, including Osprey Media Income Fund, ACS Media Canada Inc. and The Consumers’ Waterheater Income Fund (now EnerCare Inc.).

Lucio Di Clemente – Mr. Di Clemente joined the Board of Trustees in 2009 and was appointed the Chair of the Audit Committee in 2010. Mr. Di Clemente is a management consultant and corporate director. He was appointed President of West 49 Inc., an apparel and hard goods retailer in December 2010 and served in that role until the sale of the business in February 2014. Mr. Di Clemente’s executive experience spans numerous sectors, including manufacturing, retail, health sciences and distribution. He is a CPA, CA and holds an MBA from the University of Toronto. Mr. Di Clemente has chaired and served on numerous boards including public and private companies as well as charitable institutions and holds an ICD.D designation as a professional corporate director.

David Gee – Mr. Gee was first appointed a Trustee of the Fund upon its IPO in 2001 and has served as the Chair of the Responsible Care Committee since that time. He has rich chemical industry experience, having acted as President and CEO of Marsulex for the decade before his retirement. Prior to that Mr. Gee was President and CEO and an owner of an aerospace manufacturing company as well as President and CEO of another TSX-listed company. Mr. Gee holds a BSc and an MBA from the University of Toronto. He has served on the boards of directors of numerous public and private companies as well as charitable organizations.

Susan McArthur – Ms. McArthur has been a Trustee of the Fund since August 8, 2012. Since April 2013, she has been a Managing Partner with GreenSoil Investments, a private equity investing firm specializing in agro food tech and building innovation technology. Previously, Ms. McArthur was a Senior Investment Banker with Jacob Securities Inc., specializing in renewable energy, oil & gas, mining and infrastructure. Ms. McArthur has advised corporate clients on a broad range of transactions including acquisitions and divestitures, public and private equity and debt financing, capital restructuring and other strategic initiatives. Ms. McArthur currently sits on the board of directors of public companies Great-West Lifeco Inc., First Capital Realty Inc. and KP Tissue Inc., as well as privately held Kruger Products GP. She has previously served as a director on a number of other boards, including chairing the Board of Management of the Canada Revenue Agency. She is a graduate of the University of Western Ontario and has completed the ICD.D professional corporate director course.

Katherine Rethy - Ms. Rethy has been a Trustee of the Fund since July 1, 2015. Ms. Rethy is President of KAR Development Corp., her own leadership development and consulting company. Ms. Rethy has extensive experience in procurement, logistics and operational matters and was previously Senior Vice President, Global Services at Falconbridge Ltd. Prior to joining Falconbridge she was an executive with Dupont Canada Inc. Ms. Rethy has a J.D. from the University of Windsor, a B.Sc. from the University of Toronto, an M.B.A. from York University, and an M.A. from Lancaster University in the U.K and has completed the ICD.D professional corporate director course. Ms. Rethy also serves as a director of Toromont Industries Ltd., and previously served as a director of SBM Offshore NV (Netherlands), Equitable Bank, TransForce Inc. and several not-for-profit organizations.

Lorie Waisberg (Chair) – Mr. Waisberg has been a Trustee of the Fund since its IPO in 2001 and was appointed Chair of the Board in 2009. Mr. Waisberg holds Law Degrees from University of Toronto and Harvard University and had a distinguished 30 year legal career as a business law partner of Goodmans, LLP in Toronto. This was followed by direct business experience as the Executive Vice President, Finance and Administration of steel producer, Co-Steel Inc. prior to retirement. Mr. Waisberg has served on the board of directors of numerous Canadian public companies, including acting as a member and chair of audit, corporate governance, compensation and human resource committees. He is currently a director of the following public companies: Tembec Inc., Metalex Ventures Ltd., Americas Silver Corporation (formerly Scorpio Mining Corporation), Chantrell Ventures Corp. and Northern Uranium Corp. Mr. Waisberg holds an ICD.D designation as a professional corporate director.

During 2015, the attendance record of the Nominees was as follows:

BOARD AND COMMITTEE MEETING ATTENDANCE (2015)

	Board of Trustees		Audit Committee		Compensation & Corporate Governance Committee		Responsible Care Committee	
David Colcleugh	6 of 6	100%	5 of 5	100%	5 of 5	100%	6 of 6	100%
Mark Davis ⁽¹⁾	6 of 6	100%	5 of 5	100%	5 of 5	100%	6 of 6	100%
Lucio Di Clemente	6 of 6	100%	5 of 5	100%	5 of 5	100%	6 of 6	100%
David Gee ⁽²⁾	6 of 6	100%	5 of 5	100%	5 of 5	100%	6 of 6	100%
Susan McArthur	6 of 6	100%	5 of 5	100%	5 of 5	100%	6 of 6	100%
Lorie Waisberg ⁽³⁾⁽⁴⁾	6 of 6	100%	5 of 5	100%	5 of 5	100%	6 of 6	100%
Katherine Rethy ⁽⁵⁾	2 of 2	100%	2 of 2	100%	2 of 2	100%	3 of 3	100%

NOTES:

- (1) Mr. Davis attended meetings of the Audit, Compensation & Corporate Governance, and Responsible Care Committees as a guest.
- (2) Mr. Gee was a director of Norwall Group Inc. (“Norwall”) until December 2010. Due to the Chief Financial Officer’s sudden illness, Norwall failed to file required financial statements for the second quarter of 2009 in a timely manner and applied to the relevant provincial securities regulators for a management cease trade order covering the Chief Executive Officer and Chief Financial Officer. The order was revoked on October 20, 2009 following the filing of the financial statements.
- (3) Mr. Waisberg was a director of FMF Capital Group Ltd. (“FMF”) from March 2005 to May 18, 2007. On May 18, 2007 a subsidiary of FMF (of which Mr. Waisberg was not a director) conveyed its assets to a trustee to facilitate the orderly wind-up of its business.
- (4) Mr. Waisberg attended the meetings of the Audit Committee as a guest, remaining for in camera sessions.
- (5) Ms. Rethy attended the meeting of the Responsible Care Committee on June 8, 2015 as a guest.

Board Size

The Board of Trustees has added three members in recent years: a fifth trustee in 2011 to reflect the increased complexity of the business following the acquisition of Marsulex and a sixth and seventh trustee in 2013 and 2015, respectively, to bring additional in-depth chemical industry expertise. In 2012, the boards of directors of the Chemtrade Group were simplified to consist of three members of management. In November 2012, the committee structure was also reviewed and streamlined. The membership of all of the committees is comprised of independent Trustees. The Compensation and Corporate Governance Committee and Responsible Care Committee consist of six Trustees and the Audit Committee of five Trustees, with the remaining Trustees attending all meetings of all committees. The Board believes that a relatively small number of Trustees encourages active engagement in Board matters by all Trustees.

Special Business – Amendments to the Declaration of Trust

It is proposed that certain amendments (as described below) be made to the Declaration of Trust and that such amendments, together with the amendments from the First Supplemental Declaration of Trust dated August 2, 2005 and the Second Supplemental Declaration of Trust dated March 6, 2012, be incorporated into a new amended and restated Declaration of Trust. A copy of the full text of the proposed amended and restated Declaration of Trust is attached as Appendix A hereto. Changes effected by the First and Second Supplemental Declaration of Trust are marked in green and yellow and the proposed amendments are marked in blue and red. The persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, will vote such proxies in favour of amending and restating the Declaration of Trust as set out in Appendix A.

The Fund assessed its current Declaration of Trust provisions and compared the rights, remedies and procedures available under it to the rights, remedies and procedures that are available to shareholders of a corporation and others under the Canada Business Corporations Act (the “CBCA”). In connection with the foregoing, the Fund reviewed the provisions set forth in the Model Declaration of Trust Provisions prepared by the Canadian Coalition for Good Governance (the “CCGG”) in November 2015. The Trustees considered the proposed changes with a view to determining which changes would be appropriate given the Fund’s current structure and the goal of providing Unitholders with additional rights that would put Unitholders in substantially the same position as if they were shareholders of a CBCA corporation. The Trustees have determined that it is appropriate at this time for the Fund to seek the approval of Unitholders to amend the Declaration of Trust to include certain rights, remedies and procedures in favour of Unitholders that are consistent with those available to shareholders of a corporation governed by the CBCA as reflected in the CCGG Model Declaration of Trust Provisions. Given this view, the Trustees are recommending that Unitholders vote in favour of the special resolution approving the amendments to the Declaration of Trust.

Notwithstanding the foregoing, as the Fund is governed by its Declaration of Trust (rather than statute), if the foregoing proposed provisions are adopted as contemplated they will be granted pursuant to the Declaration of Trust as a contractual right afforded to Unitholders. Similar to other existing rights contained in the Declaration of Trust, making these rights and remedies and certain procedures available by contract is structurally different from the manner in which the equivalent rights and remedies or procedures (including the procedure for enforcing such remedies) are made available to shareholders of a corporation, who benefit from those rights and remedies or procedures by the corporate statute that governs the corporation, such as the CBCA. As such, there is no certainty how these rights, remedies or procedures may be treated by the courts in the non-corporate context or that a Unitholder will be able to enforce the rights and remedies in the manner contemplated by the proposed amendments. Furthermore, how the courts will treat these rights, remedies and procedures will be in the discretion of the court, and the courts may choose to not accept jurisdiction to consider any claim contemplated in the proposed provisions.

The following is a summary of certain proposed amendments to the Declaration of Trust and does not purport to be complete and is qualified in its entirety by reference to the full text of the proposed amended and restated Declaration of Trust, which is attached as Appendix A hereto. Reference should be made, and consideration given, to the full text of the proposed amended and restated Declaration of Trust.

Proposed Amendments

It is proposed that the Declaration of Trust be amended to incorporate, among other things, the following proposed changes:

1. Oppression Remedy:

- The introduction of the ability of Unitholders or other specified eligible complainants to apply to a court to seek an order that (a) any act or omission of the Fund or the Chemtrade Group effects a result; (b) the business or affairs of the Fund or the Chemtrade Group are or have been carried on or conducted in a manner; or (c) the powers of the Trustees are or have been exercised in a manner, that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any Unitholder, securityholder, creditor, Trustee or officer. See the risk factor in bold on page 10.
- The new provisions will provide that a court may make any order it thinks fit including, without limitation, an order: (a) restraining the conduct complained of; (b) appointing a receiver or receiver-manager; (c) regulating the Fund's affairs or those of the Chemtrade Group by amending the Declaration of Trust or the constating documents of any entity in the Chemtrade Group; (d) directing an issue or exchange of securities; (e) replacing the Trustees or the directors of any entity in the Chemtrade Group or appointing additional ones; (f) directing the Fund or any other person to purchase securities of a Unitholder; (g) varying or setting aside a transaction or contract to which the Fund or any entity in the Chemtrade Group is a party and compensating any party thereto; (h) requiring the production of financial information from the Fund or any entity in the Chemtrade Group; and (i) winding-up the Fund or liquidating or dissolving any entity in the Chemtrade Group, among other orders.

2. Dissent and Appraisal Rights:

- The introduction of dissent and appraisal rights in connection with certain fundamental transactions, including:
 - a sale or disposition of the securities of the Chemtrade Group held by the Fund, or a sale, lease or disposition of all or substantially all of the assets of the Fund or the Chemtrade Group, taken as a whole, that requires approval of more than two-thirds of Unitholders pursuant to the Declaration of Trust;
 - the carrying out of certain going-private transactions involving the Fund, that result in the interest of a holder of participating securities being terminated without his, her or its consent and without the substitution of an interest of equivalent value; or
 - if the Fund resolves to amend the Declaration of Trust to: (a) add, change or remove any provision restricting or constraining the issue, transfer or ownership of Units; (b) add, change or remove any restriction on the business the Fund may carry on; (c) add, change or remove the rights, privileges, restrictions or conditions attached to Units; (d) increase the rights or privileges of any class of Units having rights or privileges equal or superior to the class held by the dissenting Unitholder; (e) create a new class of Units equal to or superior to the Units of the class held by the dissenting Unitholder; (f) make any class of Units with inferior rights or privileges superior to that class held by the dissenting Unitholder; or (g) effect an exchange or create a right of exchange in all or part of a class of Units into the class held by the dissenting Unitholder.
- A Unitholder who complies with the procedures set out in these new provisions will be entitled, at the time the approved action from which the Unitholder dissents becomes effective, to receive

fair value of the Units held by such dissenting Unitholder, determined as of the close of business on the day prior to the date of the adopting resolution.

- To avail itself of this provision, a dissenting Unitholder must send the Fund, at or prior to any meeting of Unitholders at which the relevant resolution is to be voted on, a written objection to the resolution.
- The new provisions include the procedures, including notification requirements, the requirements for submitting Units to be cancelled, and the procedure and manner of determining and paying the fair value of such Units, by which the Fund and the dissenting Unitholder must adhere to for purposes of complying with the new provisions.
- The Fund will be required to send to each dissenting Unitholder who has complied with the required provisions a written offer of an amount considered by the Trustees to be the fair value, accompanied by a statement showing how fair value was determined. Within ten days after such offer is accepted, the Fund shall pay to the dissenting Unitholder the required payment. The offer made by the Fund will lapse if the Fund does not receive an acceptance within thirty days of it being made.
- The new provisions provide for the ability to apply to a court if the Fund fails to make an offer or an offer is not accepted by a dissenting Unitholder, and for purposes of the court fixing the fair value of the Units of any dissenting Unitholder. The proposed new provisions include appropriate procedural parameters to govern the court application process. See the risk factor in bold on page 10.

3. Derivative Action:

- The addition of a right of Unitholders and other specified eligible complainants to apply to a court for leave to bring an action in the name of and on behalf of: (a) the Trustees on behalf of the Fund; or (b) any Chemtrade Group entity, or to intervene in an action to which any such entity is a party for the purpose of prosecuting, defending or discontinuing the action on behalf of the Trustees on behalf of the Fund or the Chemtrade Group entity, subject to the following conditions being met: (a) the Unitholder or complainant giving notice not less than 14 days before bringing the application, of its intention to apply to the court; (b) the Unitholder or complainant acting in good faith; and (c) it appearing to be in the interests of the Fund or the Chemtrade Group, as applicable, that the action be brought, prosecuted, defended or discontinued.
- In connection with such an action brought or intervened in, the court may make any order it sees fit, including, but not limited to, (a) an order authorizing the Unitholder, complainant or any other person to control the conduct of the action; (b) an order giving directions for the conduct of the action; (c) an order directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former and present securityholders of the Fund or the Chemtrade Group instead of to the Fund or the Chemtrade Group; and (d) an order requiring the Fund or the Chemtrade Group to pay reasonable legal fees incurred by the Unitholder or complainant in connection with the action.

4. Unitholder Proposals:

- The introduction of the right of Unitholders and Beneficial Unitholders to submit notice to the Fund of any matter that the person proposes to raise at an annual meeting (a “Proposal”) and to discuss at the meeting any matter with respect to which the person would have been entitled to submit a Proposal.
- Ancillary to this new right permitting Unitholders and Beneficial Unitholders to make Proposals will be the procedures under which the Proposal process is governed, including, among other things, the following:
 - a Proposal may not include nominations for the election of Trustees (which is dealt with separately under the new advance notice provisions, discussed below);
 - to be eligible to submit a Proposal, a person must (a) be the registered holder or beneficial owner, for at least the six-month period immediately prior to the day on which the Proposal is submitted, of at least 1% of the total number of outstanding Units on the day the Proposal is submitted, or Units whose fair market value, as determined at the close of business on the day before the Proposal is submitted, is at least \$2,000; or (b) have the support of persons who, in the aggregate (and whether or not including the person submitting the Proposal), for at least the same six-month period, have been the registered holders or beneficial owners of at least 1% of the total number of outstanding Units on the day the Proposal is submitted, or Units whose fair market value, as determined at the close of business on the day before the Proposal is submitted, is at least \$2,000;
 - a Proposal must be accompanied by certain prescribed information, including the name and address of the submitting person and such person’s supporters, if applicable, the number of Units held or owned by such person or persons, and the date such Units were acquired; and
 - the Fund shall set out the Proposal in its information circular delivered in connection with its annual meeting and, if requested by the submitting person, shall include a statement in support of the Proposal by such person, such statement and Proposal not to exceed 500 words exclusive of the prescribed information referred to above. Notwithstanding the foregoing, the Fund shall not be obligated to include such materials or information in its circular if: (a) the Proposal is submitted to the Fund less than 90 days before the anniversary date of the prior year’s notice of meeting; (b) it clearly appears that the primary purpose of the Proposal is to enforce a personal claim or redress personal grievance or the Proposal does not relate in a significant way to the business or affairs of the Fund; (c) not more than two years prior to the receipt of the Proposal, the submitting person failed to present at a meeting of Unitholders, a Proposal that, at such person’s request, was included in a circular; (d) substantially the same Proposal was submitted to Unitholders within the preceding five years and did not receive the required support (being 3% of total Units voted if the Proposal was introduced at only one annual meeting, 6% of total Units voted at the last meeting at which the matter was submitted if the Proposal was introduced at two annual meetings, and 10% of total Units voted at the last meeting at which the matter was submitted if the Proposal was introduced at three or more annual meetings); or (e) the rights conferred pursuant to these new provisions are being abused to secure publicity.

5. Applications to Court:

- The Declaration of Trust will now include a provision that reiterates the risk factor in bold on page 10 in respect of applications to a court as contemplated by provisions in the Declaration of Trust.

6. Amendments to the Declaration of Trust:

- Inclusion of the requirement that any amendment to the Declaration of Trust which is approved by the Trustees but not approved by Unitholders prior to the amendment being made be submitted to Unitholders at the next meeting of Unitholders (other than certain amendments that the Trustees may make without approval of the Unitholders, including, among other things, ensuring compliance with applicable laws, providing additional protection to Unitholders, or removing conflicts or inconsistencies in the Declaration of Trust), and the Unitholders may confirm, reject or amend the amendment by a resolution approved by a majority of votes cast. Previously, the general amendment requirement was two-thirds of votes cast to amend the Declaration of Trust. The foregoing new provisions do not apply to any amendment to the Declaration of Trust, the subject matter of which is contemplated by any other section of the Declaration of Trust and which explicitly requires a different Unitholder approval level.

7. Unitholder Meeting Matters and Access to Records:

- Inclusion of the ability of the Fund to apply to a court for an order to extend the time for calling an annual meeting. See the risk factor in bold on page 10.
- Inclusion of the ability of a Unitholder or Trustee to apply, in certain circumstances, to a court to order a meeting of Unitholders be called, held and conducted in the manner the court directs. See the risk factor in bold on page 10.
- With respect to the ability of Unitholders to require the Trustees to call a special meeting, Unitholders holding in aggregate not less than 5% of Units may, in certain circumstances, requisition a special meeting. The previous threshold was Unitholders holding in aggregate not less than 10% of Units. The new provisions also set out the procedure and the circumstances when a requisitioned special meeting does not need to be called by the Trustees. Clarification has been added to provide that unless otherwise resolved at the meeting, the Fund shall reimburse the Unitholders who signed the requisition for expenses reasonably incurred by them in requisitioning, calling and holding the meeting.
- Amended the rights of Unitholders and other specified persons to access certain information and records of the Fund, including the securities register of the Fund (and inclusion of the procedure relating to, and allowable uses of, such information or records), to more closely align with the equivalent rights given under the CBCA.
- Amended the provisions dealing with restrictions on the Trustees' power to authorize certain actions to better reflect the current structure of the Fund and the Chemtrade Group.

8. Trustees and Officers:

- The addition of advance notice provisions requiring a Unitholder or Beneficial Unitholder who wishes to nominate persons for election as a Trustee to provide advance notice of such nominations to the Trustees. In the case of an annual meeting, such notice must be given not less

than 30 days prior to the date of the annual meeting, but in the event that the annual meeting of Unitholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice by the nominating Unitholder may be made not later than the close of business on the tenth day following the date of that first public announcement. In the case of a special meeting (which is not also an annual meeting) of Unitholders, not later than the close of business on the fifteenth day following the day on which the first public announcement of the date of the special meeting was made. The new provisions also set forth the procedure for giving notice and the information that must be included in the notice.

- The addition of limitations on the right of Trustees to delegate the authority to: (a) submit to Unitholders any question or matter requiring the approval of Unitholders; (b) fill a vacancy among Trustees or appoint additional trustees; (c) issue Units except as authorized by the Trustees; (d) declare distributions; (e) approve a proxy circular; (f) approve a take-over bid circular; or (g) approve the annual financial statements of the Fund.
- The addition of enhanced procedures with respect to Trustee or officer conflicts of interest, making it more consistent with the CBCA.
- The addition of a restriction on any amendment to the Declaration of Trust to require more than a majority of votes cast at a meeting of Unitholders to remove a Trustee, unless such amendment receives the unanimous consent of Unitholders.

The above is a summary of the material changes being proposed by the amendments. The amendments also include certain clean up related changes. Reference should be made, and consideration given, to the full text of the proposed amended and restated Declaration of Trust, which is attached as Appendix A hereto.

Unitholder Approval

Unitholders will be asked to pass the special resolution in the form set out in Appendix B to this Information Circular, to authorize and approve the new amended and restated Declaration of Trust as set out in Appendix A, incorporating, among other things, the amendments to the Declaration of Trust as described above. To be approved, the special resolution requires the affirmative votes of Unitholders holding more than 66 2/3% of the Units represented at the Meeting and voted on a poll upon such special resolution.

The Board considers that the amendments to the Declaration of Trust are appropriate at this time and recommends that Unitholders vote “FOR” the special resolution. It is therefore intended that on any ballot that may be called relating to the authorization and approval of the foregoing amendments to the Declaration of Trust, the Units represented by proxies in favour of management nominees will be voted in favour of the authorization and approval of such amendments, unless a Unitholder specifies in his or her proxy that his or her Units are to be voted against such amendments to the Declaration of Trust.

EXECUTIVE COMPENSATION

Remarks of the Chair Regarding Executive Compensation

The Board of Trustees believes in “pay for performance” as its guiding philosophy for executive compensation. The Board has devoted a great deal of time considering which elements are the best determinants of “performance” and recognizes that while pay must be aligned with Unitholder return, it is also important that management be proper stewards of the business, appropriately focused on the long term. In the Board’s opinion, the long term and short term compensation plans that are currently in place for Chemtrade’s executives, and which are described in detail below, are structured to appropriately reward pay for performance.

Lorie Waisberg, Chair, Board of Trustees

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

The compensation disclosure in this document relates to the compensation earned by the Chief Executive Officer (“CEO”), and the Vice-President, Finance & Chief Financial Officer (“CFO”) of the Fund and the three next most highly compensated executive officers of the Chemtrade Group. This results in the following five individuals being the named executive officers (“Named Executive Officers” or “NEOs”) as defined in the applicable legislation:

1. Mark Davis, CEO
2. Rohit Bhardwaj, CFO
3. Leon Aarts, Group Vice-President
4. Tab McCullough, Group Vice-President
5. Michael St. Pierre, Group Vice-President

The Compensation Discussion and Analysis provides information regarding all significant elements of compensation paid, payable, awarded, granted, given or otherwise provided directly or indirectly by the Fund to the NEOs. The Fund’s Compensation and Corporate Governance Committee has designed the Fund’s executive compensation program and the Compensation and Corporate Governance Committee oversees its implementation.

Compensation Philosophy and Objectives

The Fund’s executive compensation is designed to provide total compensation in the top quartile relative to Chemtrade’s comparator group where performance is exceptional with the intent of attracting and retaining superior talent. The total compensation is weighted heavily to pay for performance. Chemtrade aims to provide a level of base pay below the top quartile but sufficient to support adequate rewards for top performance even in difficult economic times.

The objectives of Chemtrade’s executive compensation plan are to attract, motivate and retain an executive management team who will (i) achieve and surpass the Fund’s objectives, both financial and non-financial; (ii) build an organization that can capture growth opportunities in rapidly changing markets; and (iii) create value for the Unitholders over the longer term.

The executive compensation program is designed to achieve these objectives by aligning the interests of the executives with those of the Unitholders; providing support for pay for performance; and ensuring compensation is competitive within the marketplace.

Alignment of Executive and Unitholder Interests

The interests of executives and the Unitholders are aligned through the use of performance measures in Chemtrade's two incentive plans: a short-term plan in the form of the annual incentive compensation ("Annual IC") plan and a long-term plan in the form of the long-term incentive plan, to focus the executives on areas that are important to Unitholders. Annual IC rewards are linked to D-Cash performance and the achievement of pre-determined objectives (The term "D-Cash" is defined under the heading "Non-IFRS Measures."). Until and including the 2012-2014 TR LTIP (as defined below under the heading "Long Term Incentive Plans"), long term incentive plan awards were linked to the value of the Unit price and distributions through a total Unitholder return performance measure. Starting with the 2013-2015 LTIP (as defined below under the heading "Long Term Incentive Plans"), the long term incentive plan was expanded to include two additional performance criteria: (i) EBITDA growth and (ii) total return to Unitholders relative to the total return on the S&P/TSX Capped Industrial Index.

Support Pay for Performance

Compensation is directly linked to performance by basing a portion of the amount paid to executives on the achievement of specific, pre-determined objectives. A significant portion of the total planned compensation in respect of a given year for the Named Executive Officers is directly linked to financial performance of the Fund, with the intention of rewarding top quartile performance with top quartile compensation.

Competitive Compensation

The Compensation and Corporate Governance Committee reviews the compensation paid to the NEOs and compares it to the compensation paid to executive officers of comparator groups of companies with the intention of attracting and retaining key, highly qualified employees. Market benchmark data is examined to ensure total direct compensation is comparable with the 75th percentile of the comparator groups in cases of superior performance and that base salary is comparable with at least the 50th percentile of the comparator groups. See under the heading "Competitive Benchmark Data" for further details on the composition of the comparator groups.

Clawback Policy

The Board has discretion, subject to certain conditions, to require that any or all compensation given to the NEOs by way of an Annual IC or LTIP be adjusted and/or repaid if the financial results which the Annual IC and/or LTIP have been based upon have been determined to contain errors. The Board of Trustees implemented this policy in 2013 in accordance with its philosophy of aligning the interests of executives and the Unitholders.

Program Elements

Overview

Compensation for the Named Executive Officers is composed of the following elements:

Element	Objectives	Key Features	Timeframe
Base Salary	To support executive retention by providing competitive base pay	<ul style="list-style-type: none"> Benchmarked to at least the 50th percentile of competitive data 	One year
Annual IC	To link pay with current executive performance	<ul style="list-style-type: none"> Rewards for annual performance relative to D-Cash, corporate and personal goals and objectives 	One year
LTIP	To support the creation of Unitholder value	<ul style="list-style-type: none"> Cash-based plan NEO awards are based on three year total return to Unitholders versus absolute targets NEO awards also based on relative performance return and EBITDA growth 	Three years

Benefits and perquisites are not significant elements of total compensation paid to the NEOs.

The following table shows the planned 2015 compensation mix in respect of 2015 (based on actual base salary, target Annual IC payout and maximum payout for the PMP component (as defined below under the heading “LTIP – Plans Commencing in 2013 and Thereafter”) and the value of the RSU component based on the weighted average Unit price for the first 20 days of the Performance Period (as defined below under the heading “Long-Term Incentive Plans”) under the 2015-2017 LTIP, each in the currency in which it was paid).

	Base Salary	Annual IC	LTIP
Mark Davis	14%	14%	72%
Rohit Bhardwaj	24%	12%	64%
Leon Aarts	22%	11%	67%
Tab McCullough	22%	11%	67%
Michael St. Pierre	24%	11%	65%

Base Salary

In line with Chemtrade’s pay-for-performance philosophy, annual base salary represents a relatively small portion of the compensation of the Named Executive Officers. The amount of base salary of each of the Named Executive Officers and any adjustments thereto are based on individual performance and market data (targeted at approximately the 50th percentile).

Annual Incentive Compensation (Short-Term Incentive Compensation)

The Annual IC plan entitles Named Executive Officers to annual cash awards based on: (i) the Fund’s success in achieving financial objectives (during 2015, weighted at 65% of the total Annual IC award) (the “Financial Component”); and (ii) the NEOs’ individual success in accomplishing personal objectives (during 2015, weighted at 35% of the total Annual IC award) as set out in his objectives for the fiscal year (the “Personal Component”) as further described below.

- (i) Financial Component - The financial objective used for the 2015 year was D-Cash, with the achievement of different target levels of D-Cash resulting in different Annual IC award payouts. D-Cash achievement is calculated using the greater of planned maintenance capital expenditures and actual maintenance capital expenditures spent. For the 2015 Annual IC plan, performance below a certain set threshold D-Cash would result in no payouts for the Financial Component. Once that threshold is achieved, the payouts range between 50% and 150% of the target payout, depending upon the level of D-Cash achieved. In 2015, the actual D-Cash earned by the Fund for Annual IC purposes was \$142 million, which exceeded the target by 11%. Because the D-Cash target was exceeded, each of the Named Executive Officers earned an award under the Financial Component of the Annual IC plan at 150% of the target payout.
- (ii) Personal Component – Each of the Named Executive Officers is compensated based on his performance related to four important criteria, being:
 - (1) Environmental, Health and Safety Performance – the performance of the Named Executive Officers is measured against the top quartile safety performance in the chemical industry.
 - (2) Annual Financial Goals – the NEOs’ performance is measured against various financial achievements, with the main determinant being achievement of an annual D-Cash target.
 - (3) High Performance Culture – each NEO is expected to implement and maintain a high performance culture through an empowered and accountable organizational structure, through leadership training and development, and management succession planning.
 - (4) Operational Excellence – the performance of the Named Executive Officers is measured by the successful execution of initiatives improving the long-term sustainability of D-Cash.

The individual goals and objectives of the Named Executive Officers are directly tied to these four key criteria and they are compensated based on their achievement of such goals and objectives. Payouts are made once a certain set threshold level of achievement of goals and objectives is reached. Payouts range between 50% and 150% of the target personal component of incentive compensation, depending on the level of achievement by the NEO of his goals and objectives. The personal objectives that were set for each of the NEOs for 2015, and their achievements during the year, are discussed below under the heading “NEO Performance Assessment”. The Compensation and Corporate Governance Committee has some discretion to adjust actual results achieved for purposes of the Financial Component of Annual IC for major changes or events in the business. Such discretion was not exercised in 2015.

Long-Term Incentive Plans

Plans implemented prior to the year 2013 are referred to herein as “TR LTIP” and plans that were implemented commencing in 2013 are referred to as “LTIP”. The TR LTIP plans are entirely based on total return to Unitholders, whereas for the LTIP, TR only forms one component of the plan. TR is defined as the sum of the change in the Unit price and aggregate distributions paid to Unitholders over the applicable performance period.

Each year the Compensation and Corporate Governance Committee determines the performance period over which TR performance will be measured. Both the TR LTIP awards granted prior to 2013 and the LTIP awards granted since 2013 are based on a three-year performance period, running from January 1 of the first year through December 31 of the third year (the “Performance Period”), as shown below.

Plan	Grant Year	Performance Period	Timing of Payout
2011-2013 TR LTIP	2011	2011-2013	Q1 2014
2012-2014 TR LTIP	2012	2012-2014	Q1 2015
2013-2015 LTIP	2013	2013-2015	Q1 2016
2014-2016 LTIP	2014	2014-2016	Q1 2017
2015-2017 LTIP	2015	2015-2017	Q1 2018

(i) TR LTIP - Plans Prior to 2013

The TR LTIP is designed to align the interests of the participants with the interests of Unitholders. It is a cash plan where payment is triggered upon the successful achievement of pre-defined TR performance criteria. One-third of the TR LTIP awards granted vest on December 31 of each of the three years of the Performance Period, provided the participant remains employed with Chemtrade on each date. All of the TR LTIP awards are now fully vested. The amount of the total cash award under the TR LTIP is determined and paid at the end of the applicable Performance Period, other than in the event of change in control, retirement, death, incapacity, resignation, or termination with or without cause. This results in the payout in respect of the 2011-2013 TR LTIP and 2012-2014 TR LTIP forming part of the Non-Equity Compensation amount reflected in the 2015 Summary Compensation Table. The payout in respect of the TR LTIP was counted toward NEO compensation in the last year of the applicable Performance Period, notwithstanding that it was paid in the first quarter of the following year.

For each of the TR LTIP’s, TR is composed of two components, namely, (i) the percentage increase or decrease of the Unit price (based on the weighted average Unit price for the first ten business days immediately following the end of the Performance Period compared to the weighted average Unit price for the first ten business days at the beginning of the Performance Period) (the “capital component”); plus (ii) the percentage obtained by dividing the aggregate distributions per Unit (over the Performance Period) by the weighted average Unit price for the first ten business days at the beginning of the Performance Period (the “distribution component”).

As shown in the table below, the NEOs’ payouts vary according to the TR achieved during the Performance Period, with the Compensation and Corporate Governance Committee determining in respect of each of the above-mentioned plans that TR below 20% is unsatisfactory and will result in no payout. The TR LTIP is designed to reward superior performance with superior compensation, as reflected in the increased payouts for higher levels of TR over three years. Tier 2 is considered target performance for competitive comparison purposes.

TR for the Performance Period		Potential Payout (in thousands of dollars)				
		Tier 1 ⁽¹⁾	Tier 2	Tier 3	Tier 4	Tier 5
2012-2014 TR LTIP 2011-2013 TR LTIP		20% - <30%	30% - <40%	40% - <50%	50% - <65%	≥65%
Mark Davis	2012-2014 TR LTIP	\$1,000 - <\$1,800	\$1,800 - <\$2,225	\$2,225 - <\$2,800	\$2,800 - <\$3,800	\$3,800
	2011-2013 TR LTIP	\$1,000 - <\$1,300	\$1,300 - <\$1,750	\$1,750 - <\$2,750	\$2,750 - <\$3,500	\$3,500
Rohit Bhardwaj Leon Aarts Tab McCullough	2012-2014 TR LTIP	\$200 - <\$400	\$400 - <\$650	\$650 - <\$950	\$950 - <\$1,250	\$1,250
	2011-2013 TR LTIP	\$200 - <\$350	\$350 - <\$700	\$700 - <\$1,130	\$1,130 - <\$1,560	\$1,560
Michael St. Pierre	2012-2014 TR LTIP	\$100 - <\$200	\$200 - <\$300	\$300 - <\$400	\$400 - <\$500	\$500

NOTE:

- (1) TR for the Performance Period of below 20% will result in no payout.

Cash payouts within a Tier will be prorated in a linear manner. Taking the 2012-2014 TR LTIP as an example, if the actual TR is 25%, the payout will be the minimum payout for achieving Tier 1 results, plus half the difference between the maximum and minimum payouts for Tier 1.

(ii) LTIP - Plans Commencing in 2013 and Thereafter

Each of the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP is comprised of two components: (i) Restricted Share Units and (ii) Performance Metrics Plan.

1. Restricted Share Units (“RSU”) – At the start of the first year of the LTIP, each NEO is granted a number of phantom restricted share units. These units will vest at the end of the Performance Period, provided the NEO remains employed with Chemtrade. At the end of the Performance Period, NEOs will receive a cash payment equal to the value of the total number of RSUs held, which will be based on the weighted average Unit price for the first 20 trading days immediately following the end the Performance Period. RSUs will be entitled to notional receipt and reinvestment of distributions paid during the Performance Period.

The chart below summarizes the number of RSU’s that have not vested and the market value of those RSU’s for each NEO as at December 31, 2015.

Name	Share-based Awards	
	Number of RSU’s that have not vested (#)	Market value of share-based awards that have not vested (\$) ⁽¹⁾
Mark Davis	135,127	2,413,368
Rohit Bhardwaj	24,017	428,944
Leon Aarts	24,017	428,944
Tab McCullough	24,017	428,944
Michael St. Pierre	16,446	293,726

NOTE:

- (1) Based on the December 31, 2015 closing market value of \$17.86 per Unit.

2. Performance Metric Plan (“PMP”) – The PMP has three independent components, each with its own performance criteria and potential payouts. Payouts will not occur unless the minimum performance levels stated in the plan are achieved.
- (a) Total Unitholder Return (“TUR”) – Payouts under this component are based on the level of TR generated over the Performance Period. Payouts will occur when actual total Unitholder return exceeds a minimum level of return of 21.94% for the 2013-2015 LTIP, 17.6% for the 2014-2016 LTIP and 17.27% for the 2015-2017 LTIP. The minimum acceptable performance threshold represents the TR generated by maintaining the current level of distributions through the Performance Period and an unchanged Unit price. The maximum payout level will be earned when a TR of 43.88% for the 2013-2015 LTIP, 35.2% for the 2014-2016 LTIP and 34.54% for the 2015-2017 LTIP is achieved.
- (b) Relative Total Return (“RTR”) – Under this component, Chemtrade’s TR will be compared with the change in the total return index value of the S&P Capped Industrial Index over the Performance Period. Payouts will occur when TR exceeds the change in the total return of the S&P/TSX Capped Industrial Index, with maximum payouts being achieved when Chemtrade’s TR exceeds that of this index by 3%.
- (c) EBITDA growth (“EBITDA Growth”) – Under this component of PMP, EBITDA (which is defined as the EBITDA shown in the Fund’s Management Discussion & Analysis of Financial Results adjusted by excluding LTIP accruals recorded in the financial statements for the relevant period) generated over the three year Performance Period will be compared with the EBITDA generated during the three years immediately preceding the start of the Performance Period. Payouts will occur when there is EBITDA growth (i.e. when aggregate EBITDA generated during the Performance Period exceeds EBITDA during the three years preceding the Performance Period), with maximum payouts being achieved when EBITDA grows by 10%.

An exception to the above occurred in respect of the 2013-2015 LTIP. The Compensation and Corporate Governance Committee believed that it was more appropriate to use three times the EBITDA for the year ended December 31, 2012 as the base line rather than the three year period preceding the Performance Period. By using this as the base line, EBITDA from the acquired businesses of Marsulex Inc. in 2011 would be included for the entire three year comparison period, rather than for only half the period as would have been the case if the three years prior to the Performance Period had been used.

		Potential Payout – PMP			
		TUR	RTR	EBITDA Growth	TOTAL PMP
Mark Davis	2013-2015 LTIP 2014-2016 LTIP 2015-2017 LTIP	\$0 - \$850,000	\$0 - \$850,000	\$0 - \$850,000	\$0 - \$2,550,000
Rohit Bhardwaj	2013-2015 LTIP 2014-2016 LTIP 2015-2017 LTIP	\$0 - \$250,000	\$0 - \$250,000	\$0 - \$250,000	\$0 - \$750,000
Leon Aarts	2013-2015 LTIP 2014-2016 LTIP 2015-2017 LTIP	\$0 - \$250,000	\$0 - \$250,000	\$0 - \$250,000	\$0 - \$750,000
Tab McCullough	2013-2015 LTIP 2014-2016 LTIP 2015-2017 LTIP	\$0 - \$250,000	\$0 - \$250,000	\$0 - \$250,000	\$0 - \$750,000
Michael St. Pierre	2013-2015 LTIP	\$0 - \$150,000	\$0 - \$150,000	\$0 - \$150,000	\$0 - \$450,000
	2014-2016 LTIP	\$0 - \$175,000	\$0 - \$175,000	\$0 - \$175,000	\$0 - \$525,000
	2015-2017 LTIP	\$0 - \$195,000	\$0 - \$195,000	\$0 - \$195,000	\$0 - \$585,000

Where the performance achieved for any individual PMP component is above the minimum threshold for payout and below the maximum threshold, the payout will be determined by pro-rating the payout in a linear manner based on the performance achieved.

The LTIP awards granted will vest at the end of the respective Performance Periods provided the participant remains employed with Chemtrade on that date. The amount of the total cash award under the LTIP will not be determined or paid until after the end of the Performance Period. In the event of retirement, death, incapacity, termination without cause or a change of control, the LTIP will be deemed fully vested and paid within 90 days of the end of active service. In the event of resignation or termination with cause, any LTIP award not vested will be cancelled, or if vested but unpaid, the LTIP award will be forfeited (see under the heading “Termination and Change of Control Benefits”).

NEO Hold Requirements

The Named Executive Officers are required by both the TR LTIP and the LTIP to re-invest a certain percentage of their after-tax award into Units of the Fund until a certain level of investment, shown in the chart below, is attained. To calculate whether the target Unit investment has been reached, the greater of the Unit value at the date of purchase or the Unit value at the date of calculation is used. The Unit value at the date of calculation used for purposes of the table below was \$16.92/Unit being the closing price on March 3, 2016. Such re-investment must be accomplished by the Named Executive Officer purchasing Units in the open market within thirty (30) days of a cash payment, subject to any applicable securities laws or rule of any applicable stock exchange or securities commission. The holding levels of each NEO are set out below.

Named Executive Officer	Target Unit Investment (multiple of base salary)	Actual Unit Investment (multiple of base salary)
Mark Davis	4.0	4.4
Rohit Bhardwaj	2.0	2.4
Leon Aarts	2.0 ⁽¹⁾	2.0
Tab McCullough	2.0 ⁽¹⁾	1.1
Michael St. Pierre	1.0	0.7 ⁽²⁾

NOTES:

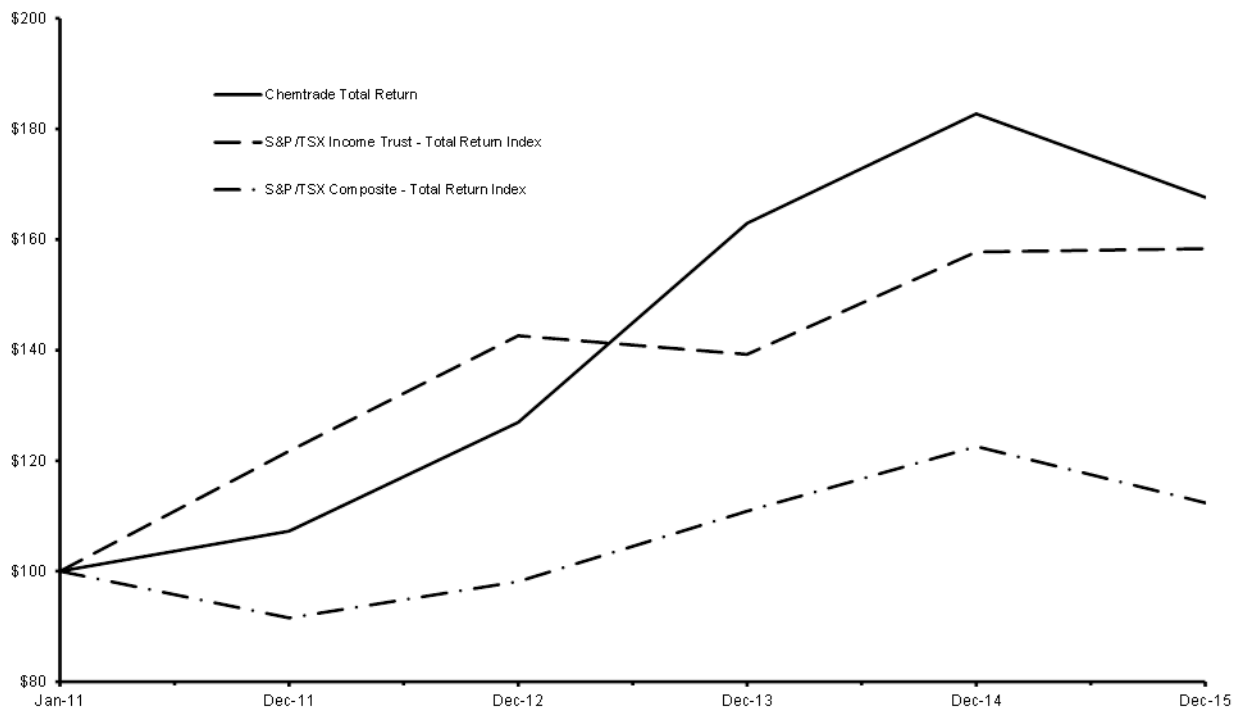
- (1) For Messrs. Aarts and McCullough, the Target Unit Investment increased from 1.0 to 2.0 commencing with the 2015-2017 LTIP and therefore achievement of the Target Unit Investment of 2.0 is applicable in respect of the award pursuant to 2015-2017 LTIP payable in Q1 of 2018. For awards pursuant to 2013-2015 LTIP (paid Q1 of 2016) and 2014-2016 LTIP paid (Q1 of 2017), the Target Unit Investment remained at 1.0.
- (2) For Mr. St. Pierre, in accordance with the terms of the 2013-2015 LTIP in order to achieve the Target Unit Investment he will be required to re-invest up to 75% of his after-tax award into Units of the Fund.

The Compensation and Corporate Governance Committee makes decisions with respect to any allocation and cancellation of LTIP and TR LTIP awards for each fiscal year for all eligible individuals. During its annual review, the Compensation and Corporate Governance Committee may elect to change or revise targets or metrics, the performance period, vesting schedule or participants. The Compensation and Corporate Governance Committee has the ability to accelerate vesting of awards at the Committee’s discretion and may also determine the treatment of any unvested awards in the event that the NEO is absent from service for a reason other than those contemplated by the TR LTIP or LTIP. For the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP, the Compensation and Corporate Governance Committee has discretion to reduce the payout amounts generated by the PMP component by up to 50%

for events that the Compensation and Corporate Governance Committee deems to be sufficiently material to future corporate performance or sustainability to warrant a reduction to the PMP payout amounts despite achievement of the established performance metrics. The Compensation and Corporate Governance Committee did not exercise any such discretion in respect of the 2013-2015 LTIP, the 2014-2016 LTIP or the 2015-2017 LTIP.

Five-Year Trend

The following graph summarizes Chemtrade’s cumulative total Unitholder return over the past five years in relation to the S&P/TSX Income Trust – Total Return Index and S&P/TSX Composite Index – Total Return Index assuming a \$100 investment on January 1, 2011.



An analysis of Unitholder total return from January 2011 to the end of December 2015 shows an increase of approximately 68% over the entire period. An analysis of total compensation for NEOs over the same five-year period reveals that total compensation for the NEOs decreased by approximately 31% from 2011 to 2015. For 2015, the total compensation for all NEOs expressed as percentage of EBITDA was 4%.

The TR LTIP is a non-equity incentive plan and TR LTIP compensation to NEOs is included in the NEOs’ compensation at the time it is payable, which is at the end of the applicable Performance Period, currently a three year period. Thus, the correlation between Unitholder total return and NEO compensation is better evaluated triennially rather than annually. An analysis of the period from January 2013 to the end of December 2015 shows an increase of approximately 32% in the TR and a decrease of approximately 34% in the total compensation for NEOs. The TR LTIP and Annual IC plans both have maximum payouts (i.e. the payouts are capped) once certain performance thresholds are reached. The LTIP also has maximum payouts under all components other than the RSU component.

Five-Year “Look Back” for CEO Compensation

The following table shows Mr. Davis’ compensation over the past five years from all compensation elements and how his actual pay compared to the intended compensation reported at the date of grant. The total compensation during the five-year “look back” period of 2011-2015, in particular the amounts paid with respect to the Annual IC and Long-Term Incentive Plans, is consistent with Chemtrade’s philosophy of aligning the interests of executives and with the interests of Unitholders and linking the amount paid to executives to the achievement of specific, pre-determined objectives. During the five-year “look back” period of 2011-2015, Chemtrade achieved (i) significant growth as a result of the successful acquisition and integration of the respective businesses of Marsulex Inc. and General Chemical; and (ii) superior cumulative total Unitholder returns (see above under heading “Five-Year Trend”).

Year	Salary (\$)	Annual IC (\$) ⁽¹⁾	Long-Term Incentive Plan (\$) ⁽²⁾	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
2015	756,417	1,120,000	2,275,920	350,000	26,930	4,529,267
2014	729,167	911,500	3,385,140	350,000	26,930	5,402,737
2013	700,000	800,000	3,356,111	350,000	26,480	5,232,591
2012	691,667	835,000	3,300,000	Nil	24,000	4,850,667
2011	647,500	805,000	3,300,000	Nil	23,030	4,775,530

NOTES:

- (1) The amounts in the column entitled “Annual IC” reflect the actual amounts earned during each year under the applicable Annual IC plan based on the following: (1) Financial Component (D-Cash): 2015: \$142.0 million; 2014: \$145.6 million; 2013: \$87.6 million; 2012: \$87.2 million; and 2011: \$79.5 million; and (2) Personal Component (% payout range based on achievement of goals and objectives): 2015: 142%; 2014: 150%; 2013: 150%; 2012: 150%; and 2011: 133%. The target Annual IC amounts (and D-Cash) for each year for Mr. Davis were as follows: 2015 – \$760,700 (\$128.1 million); 2014 – \$735,000 (\$142.2 million); 2013 – \$595,000 (\$83.4 million); 2012 – \$595,000 (\$81.6 million); and 2011 – \$552,500 (\$48.9 million).
- (2) **2015 Year** – The amount shown under the column entitled “Long-Term Incentive Plan” for 2015 is pursuant to the payment received under the 2013-2015 LTIP for the Performance Period of 2013-2015, which reflects a maximum payout for the EBITDA Growth portion and no payouts for the TUR and RTR portions. The payment received related to the RSU component was based on a Unit price of \$15.51, the weighted average Unit price for the first twenty business days after December 31, 2015. At the date of grant in 2013, the maximum payout for the PMP component was \$2,550,000 and the value of the RSU component (based on the weighted average Unit price for the first 20 days of the Performance Period) was \$1,250,000 for a total of \$3,800,000.
- 2014 Year** – The amount shown under the column entitled “Long-Term Incentive Plan” for 2014 is pursuant to the payment received under the 2012-2014 TR LTIP for the Performance Period of 2012-2014, which reflects a TR achievement of 58.8% resulting in a Tier 4 payout. At the date of grant in 2012, the maximum for the TR LTIP was \$3,800,000 representing a Tier 5 payout.
- 2013 Year** – The amount shown under the column entitled “Long-Term Incentive Plan” for 2013 is pursuant to the payment received under the 2011-2013 TR LTIP for the Performance Period of 2011-2013, which reflects a TR achievement of 62.1% resulting in a Tier 4 payout. At the date of grant in 2011, the maximum for the TR LTIP was \$3,500,000 representing a Tier 5 payout.
- 2012 Year** – The amount shown under the column entitled “Long-Term Incentive Plan” for 2012 is pursuant to the payment received under the 2010-2012 TR LTIP for the Performance Period of 2010-2012, which reflects a TR achievement of 65.5% resulting in a Tier 5 payout. At the date of grant in 2010, the maximum for the TR LTIP was \$3,300,000 representing a Tier 5 payout.
- 2011 Year** – The amount shown under the column entitled “Long-Term Incentive Plan” for 2011 is pursuant to the payment received under the 2009-2011 TR LTIP for the Performance Period of 2009-2011, which reflects a TR achievement of 115.7% resulting in a Tier 5 payout. At the date of grant in 2009, the maximum for the TR LTIP was \$3,300,000 representing a Tier 5 payout.

SUMMARY COMPENSATION TABLE

The following table summarizes compensation for the 2013, 2014 and 2015 financial years in respect of each of the Named Executive Officers.

Name and Principal Position	Year	Salary (\$) ⁽¹⁾	Share-based awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽⁴⁾	Total Compensation (\$)
				Annual Incentive Plans	Long-Term Incentive Plan ⁽³⁾			
Mark Davis CEO	2015	756,417	1,302,500	1,120,000	850,000	350,000	26,930	4,405,847
	2014	729,167	1,250,000	911,500	3,385,140	350,000	26,930	6,652,737
	2013	700,000	1,250,000	800,000	3,356,111	350,000	26,480	6,482,591
Rohit Bhardwaj CFO	2015	367,500	250,100	272,500	250,000	Nil	18,356	1,158,456
	2014	352,500	205,000	202,500	1,125,540	Nil	17,606	1,903,146
	2013	340,000	205,000	230,000	1,477,504	Nil	16,608	2,269,112
Leon Aarts ⁽⁵⁾ Group Vice-President	2015	406,400	250,100	305,920	250,000	Nil	22,861	1,235,281
	2014	304,333	205,000	157,850	1,125,540	Nil	19,119	1,811,842
	2013	267,800	205,000	144,200	1,477,504	Nil	17,685	2,112,189
Tab McCullough ⁽⁵⁾ Group Vice-President	2015	405,333	250,100	305,920	250,000	Nil	23,320	1,234,673
	2014	299,750	205,000	162,250	1,125,540	Nil	19,855	1,812,395
	2013	267,800	205,000	144,200	1,477,504	Nil	18,200	2,112,704
Michael St. Pierre Group Vice-President	2015	273,833	165,700	183,000	150,000	Nil	13,678	786,211
	2014	261,667	144,000	135,349	458,510	Nil	13,058	1,012,584
	2013	241,667	123,000	106,000	Nil	Nil	11,802	482,469

NOTES:

⁽¹⁾ **2015 Year** - As part of its annual review of executive compensation, the Compensation and Corporate Governance Committee approved adjustments to the NEO base salaries that were effective on March 1, 2015. The amounts in the column entitled "Salary" reflect the actual amounts paid to the NEOs during the 2015 calendar year. The base salaries in effect for each of the NEOs as at December 31, 2015 were as follows: Mark Davis – \$760,700; Rohit Bhardwaj – \$370,000; Leon Aarts – U.S.\$325,000; Tab McCullough – U.S.\$325,000; and Michael St. Pierre – \$275,600.

2014 Year - As part of its annual review of executive compensation, the Compensation and Corporate Governance Committee approved adjustments to the NEO base salaries that were effective March 1, 2014. The amounts in the column entitled "Salary" reflect the actual amounts earned by the NEOs during the 2014 calendar year. The base salaries in effect for each of the NEOs as at December 31, 2014 were as follows: Mark Davis - \$735,000; Rohit Bhardwaj - \$355,000; Leon Aarts – U.S.\$280,000; Tab McCullough – U.S.\$275,000; and Michael St. Pierre – \$265,000.

2013 Year - As part of its annual review of executive compensation, the Compensation and Corporate Governance Committee approved NEO base salaries for 2013 in amounts unchanged from 2012 base salaries, except in the case of Mr. St. Pierre, whose adjustment to his base salary was effective March 1, 2013. The amounts in the column entitled "Salary" reflect the actual amounts earned by the NEOs during the 2013 calendar year. The base salaries in effect for each of the NEOs as at December 31, 2013 were as

follows: Mark Davis - \$700,000; Rohit Bhardwaj - \$340,000; Leon Aarts – U.S.\$260,000; Tab McCullough – U.S.\$260,000; and Michael St. Pierre - \$245,000.

- (2) The fair market value on the grant date is determined by multiplying the weighted average Unit price for the first 20 trading days of the performance period by the number of RSUs granted in accordance with the terms of 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP respectively. For the 2015-2017 LTIP, the weighted average Unit price for the first 20 days for the performance period was \$20.84. For the 2014-2016 LTIP, the weighted average Unit price for the first 20 days of the performance period was \$20.40. For the 2013-2015 LTIP, the weighted average Unit price for the first 20 days of the performance period was \$16.41. The value recorded in this column differs from the expense recorded in Chemtrade’s Statement of Comprehensive Income as the expense is based on fair values at the end of each reporting period and considers the vesting period.
- (3) **2015 Year** - The amounts shown under the column entitled “Long-Term Incentive Plan” are in respect of the Performance Period from January 1, 2013 to December 31, 2015 and were paid in February 2016.
2014 Year - The amounts shown under the column entitled “Long-Term Incentive Plan” are in respect of the Performance Period from January 1, 2012 to December 31, 2014 and were paid in January 2015.
2013 Year - The amounts shown under the column entitled “Long-Term Incentive Plan” are in respect of the Performance Period from January 1, 2011 to December 31, 2013 and were paid in January 2014.
- (4) **2015 Year** - The amounts shown under the column entitled “All Other Compensation” represent company contributions to the RRSP (as defined below) for Canadian NEOs (Mark Davis, Rohit Bhardwaj, and Michael St. Pierre) and company contributions to the 401K Plan for U.S. NEOs (Leon Aarts and Tab McCullough). The value of perquisites and benefits received by each Named Executive Officer was not greater than \$50,000 or 10% of salary of each such NEO and therefore not included in the amounts shown under the column entitled “All Other Compensation”. In the case of Mr. Davis, the amount shown also includes life insurance premiums paid by Chemtrade.
2014 Year - The amounts shown under the column entitled “All Other Compensation” represent company contributions to the RRSP (as defined below) for Canadian NEOs (Mark Davis, Rohit Bhardwaj, and Michael St. Pierre) and company contributions to the 401K Plan for U.S. NEOs (Leon Aarts and Tab McCullough). The value of perquisites and benefits received by each Named Executive Officer was not greater than \$50,000 or 10% of salary of each such NEO and therefore not included in the amounts shown under the column entitled “All Other Compensation”. In the case of Mr. Davis, the amount shown also includes life insurance premiums paid by Chemtrade.
2013 Year - The amounts shown under the column entitled “All Other Compensation” represent company contributions to the RRSP (as defined below) for Canadian NEOs (Mark Davis, Rohit Bhardwaj, and Michael St. Pierre) and company contributions to the 401K Plan for U.S. NEOs (Leon Aarts and Tab McCullough). The value of perquisites and benefits received by each Named Executive Officer was not greater than \$50,000 or 10% of salary of each such NEO and therefore not included in the amounts shown under the column entitled “All Other Compensation”. In the case of Mr. Davis, the amount shown also includes life insurance premiums paid by Chemtrade.
- (5) **2015 Year** - For Messrs. Aarts and McCullough, the amounts in the “Salary”, “Annual Incentive Plans” and “All Other Compensation” columns have been converted from U.S. currency to Canadian currency using an exchange rate of 1.28, being an average exchange rate for the year.
2014 Year - For Messrs. Aarts and McCullough, the amounts in the “Salary”, “Annual Incentive Plans” and “All Other Compensation” columns have been converted from U.S. currency to Canadian currency using an exchange rate of 1.10, being an average exchange rate for the year.
2013 Year - For Messrs. Aarts and McCullough, the amounts in the “Salary”, “Annual Incentive Plans” and “All Other Compensation” columns have been converted from U.S. currency to Canadian currency using an exchange rate of 1.03, being an average exchange rate for the year.

Some of the major elements shown in the Summary Compensation Table are discussed below:

2015 Annual Incentive Compensation Awards

In 2015, the Fund’s D-Cash performance exceeded the target for the year by 11% and as a result, the Financial Component was paid out at 150%. Each of the NEO’s received at least 95% of his respective maximum potential payout on the Personal Component. A discussion regarding the individual goals and objectives of each NEO and his achievements during 2015 is set out below (see below under the heading “Named Executive Officer Performance Assessment”). Based on an assessment of the financial and personal objective performance for the year, the Compensation and Corporate Governance Committee approved the following 2015 Annual IC payouts (expressed as a percentage of base salary paid at the end of 2015) related to the financial and personal objectives and in aggregate for each NEO:

Payout as % of Salary				
	Target Annual IC	Financial Portion	Personal Portion	Actual 2015 Annual IC
Mark Davis	100%	98%	50%	\$1,120,000
Rohit Bhardwaj	50%	49%	25%	\$272,500
Leon Aarts ⁽¹⁾	50%	49%	25%	\$305,920
Tab McCullough ⁽¹⁾	50%	49%	25%	\$305,920
Michael St. Pierre	45%	44%	23%	\$183,000

NOTE:

⁽¹⁾ For Messrs. Aarts and McCullough, the number in the column entitled “Actual 2015 Annual IC” column has been converted from U.S. currency to Canadian currency using an exchange rate of 1.28, being an average exchange rate for the year.

Long-Term Incentive Plan

In the column entitled “Long-Term Incentive Plan”, the Summary Compensation Table includes cash payouts of two non-equity TR LTIP plans and one non-equity component (PMP) of the LTIP plan as set out below.

TR LTIP	TR Performance Achieved (Tier)	Timing of Vesting and Payout
2012-2014 TR LTIP	58.8% (Tier 4)	Vested December 31, 2014 Paid January 2015
2011-2013 TR LTIP	62.1% (Tier 4)	Vested December 31, 2013 Paid January 2014

LTIP	PMP Components Achieved			Timing of Vesting and Payout
	TUR	RTR	EBITDA Growth	
2013-2015 LTIP	16.46%	-12.6%	41%	Vested December 31, 2015 Paid February 2016

Other Benefits and Perquisites

The Fund offers to the NEOs a Group Registered Retirement Savings Plan (“RRSP”) in Canada and a 401(k) Plan in the U.S. These plans for the NEOs are identical to the plans offered to all employees in the same jurisdiction.

Group RRSP – Canada

In Canada, the Group RRSP is administered by Sun Life Financial. The employer provides a basic contribution of the lesser of 5% of earnings or the legislated government maximum, and the NEOs can make additional voluntary contributions, for total combined contributions up to the legislated government maximums. The Group RRSP account is self-directed, with the participants able to choose from among the investment options offered by Sun Life Financial and any interest and earnings on the investments held in the RRSP account vary in accordance with the terms and performance of the particular investments chosen.

All eligible Chemtrade employees (including Messrs. Davis, Bhardwaj and St. Pierre) are eligible to participate in the Group RRSP after completion of six (6) months of continuous service. Employer contributions to the Group RRSP are subject to immediate vesting.

401(k) Plan – U.S.

In the U.S., the qualified retirement 401(k) Plan is administered by Securian. The employer provides a basic contribution of the lesser of 4% of earnings or the legislated government maximum, and also matches the first 3% of voluntary contributions made by the employees, for total combined contributions up to the legislated government maximums. The 401(k) account is self-directed, with all participants (including Messrs. Aarts and McCullough) able to choose from among the investment options offered by Securian and any interest and earnings on the investments held in the 401(k) account vary in accordance with the terms and performance of the particular investments chosen.

Eligible employees may participate in the 401(k) Plan on the date of hire. Employer basic contributions to the 401(k) Plan are subject to immediate vesting, whereas employer matching contributions are vested over a five-year period at the rate of 20% per year.

In 2016, the 401(k) Plan for all US Chemtrade employees (including Messrs. Aarts and McCullough) has been modified as follows: Chemtrade will match the first 6% of voluntary contributions made by the employees on a monthly basis, for total combined contributions up to the legislated government maximums. Chemtrade contributions will vest immediately. The 401(k) Plan will continue to remain self-directed as described above.

Supplemental Executive Retirement Plan (“SERP”)

Effective January 1, 2013, the Fund created a notional SERP for Mr. Davis. The intent of the SERP is to supplement the amount Mr. Davis receives under the RRSP. As a notional program, no actual contributions are made under this program.

Employer Contributions prior to Age 65: For each year that Mr. Davis is employed with Chemtrade prior to attaining age 65, Chemtrade Logistics Inc. notionally credits \$350,000 to the SERP.

Employer Contributions after Age 65: For each year Mr. Davis continues to be employed with Chemtrade after age 65, Chemtrade Logistics Inc. will notionally credit 10% of Mr. Davis’s annual cash compensation (base pay plus Annual IC award) to the SERP.

NEO	Accumulated Value at Start of Year (\$)	Compensatory (\$)	Accumulated Value at End of Year (\$)
Mark Davis	700,000	350,000	1,050,000

Benefit Plans

The NEOs are covered under the same benefit plans that apply to all eligible Chemtrade employees except as follows: the NEOs also receive a car allowance in a pre-determined fixed amount and reimbursement of car operating costs, as well as additional amounts for travel insurance. The Fund also pays an additional life insurance premium for Mr. Davis. As shown in the Summary Compensation Table, the dollar amounts of these additional perquisites and benefits are not significant.

Compensation and Corporate Governance Committee

Responsibility for NEO compensation rests with the Compensation and Corporate Governance Committee, which consists of Messrs. Colcleugh (Chair), Di Clemente, Gee and Waisberg and Ms. McArthur and Ms. Rethy. Each committee member is independent, as further discussed below under the heading “Statement of Corporate Governance - Independence”. Some background details in respect of each committee member as well as certain other details are set out under the heading “Election of Trustees”. Each of the committee members has specific experience overseeing and structuring executive compensation. All of the committee members have served as senior executives of operating businesses and have served on compensation and corporate governance committees of other boards of directors. Each committee member also has experience in dealing with various compensation consultants and using their expertise to design and implement appropriate compensation programs.

Process of Determining NEO Compensation

The Compensation and Corporate Governance Committee approves and monitors the annual personal objectives and reviews the performance of the CEO. The annual personal objectives of the Named Executive Officers are reviewed by the CEO of the Fund. The CEO presents the performance evaluation in respect of each NEO, including himself, to the Compensation and Corporate Governance Committee, and the Compensation and Corporate Governance Committee evaluates the achievement of such goals and determines whether the total compensation for such Named Executive Officer recommended by the CEO is appropriate. The goals and objectives of each of the NEOs for the 2015 year, and a discussion of each of their achievements of such goals and objectives, is set out below.

The Compensation and Corporate Governance Committee also determines the annual plan targets for the Annual IC plan, which have been recommended by the CEO. Achievement of the corporate financial targets is evaluated by comparison of actual results against quantifiable performance targets set out on an annual basis. In determining the total compensation to be paid to the NEOs in a particular year, the Compensation and Corporate Governance Committee also considers competitive data for each element individually as well as for the total compensation and internal equity considerations.

Risk Mitigation

The members of the Compensation and Corporate Governance Committee keep themselves apprised of the major risks facing the business. Periodically but at least biennially, the Audit Committee reviews enterprise-wide risks and mitigation strategies, and since the membership of the Audit Committee is the same as that of the Compensation and Corporate Governance Committee (other than Mr. Waisberg, who nonetheless attends the Audit Committee meetings), the Compensation and Corporate Governance Committee is able to consider such risks when determining the structure of executive compensation.

Throughout the process of determining all aspects of NEO compensation, the Compensation and Corporate Governance Committee is mindful of ensuring that each NEO’s goals and objectives, and the resultant compensation for their achievement, do not motivate inappropriately risky behaviour. This is

reinforced by a business model that specifically seeks to mitigate risks from typical volatility in the prices, volumes and input costs of commodity chemicals. During 2015, the Compensation and Corporate Governance Committee was satisfied that inappropriate risks were not being rewarded. This conclusion was supported by (i) reconfirming that the goals and objectives set for the NEOs and approved by the Compensation and Corporate Governance Committee did not promote unduly risky behaviour; and (ii) adopting compensation plans for the NEOs that limit payouts (i.e. the Annual IC and LTIP payouts are both capped; and the LTIP is capped apart from the RSU component). Furthermore, the quantum of long term compensation available to the NEO's significantly exceeds the quantum of their short term compensation, thus promoting longer term focus and actions.

Competitive Benchmark Data

The competitiveness of the executive compensation is reviewed annually by the Compensation and Corporate Governance Committee. Chemtrade competes for executives from a broad talent pool and therefore primary benchmark data representing a select sample of publically listed companies of similar size and in similar industries as Chemtrade (“comparator groups”) is used to ensure total direct compensation (in cases of superior performance) is comparable with the 75th percentile of the comparator groups and base salary is comparable with at least the 50th percentile of the comparator groups. Survey data is used as a secondary source and includes a broader sample of industry organizations, including heavy industry and chemical organizations. The Compensation and Corporate Governance Committee engages the services of Towers Watson, an independent third-party consultant, to provide competitive benchmark compensation data for the senior executive team.

In addition to the data related to marketplace competitiveness, the Vice-President, Human Resources and CEO make recommendations to the Compensation and Corporate Governance Committee that also consider internal equity such that the compensation of each position fairly reflects the responsibilities of that position relative to other positions within the organization.

NEO	Primary Source	Secondary Source
Mark Davis Rohit Bhardwaj Michael St. Pierre	Proxy Information for Comparator Groups	Canadian heavy industry organizations with revenue between \$500 million and \$2 billion from Towers Watson’s Canadian Executive Compensation Data Bank.
Leon Aarts Tab McCullough		U.S. chemical industry organizations with revenue of comparable size to Chemtrade from Towers Watson’s U.S. Executive Compensation Data Bank.

Comparator Group

The chart below lists the companies that make up the comparator group, which were used to determine the percentiles applicable to the NEOs.

Comparator Groups	
US Comparators Olin Corp A Schulman Inc. Tronix Limited Stepan Company Kronos Worldwide Inc. Ferro Corporation Koppers Holdings Inc. Mineral Technologies Inc. Tredegar Corp. Innophos Holdings Inc. Innospec Inc. Quaker Chemical Corporation Calgon Carbon Corporation OCI Partners LP	Canadian Comparators Superior Plus Corp. Methanex Corporation Canexus Corporation

Named Executive Officer Performance Assessment

As discussed above, each of the Named Executive Officers is compensated based on his performance related to four important criteria, being (i) Environmental, Health and Safety (“EH&S”) Performance; (ii) Annual Financial Goals; (iii) High Performance Culture; and (iv) Operational Excellence. The discussion that follows sets out, for each NEO, the 2015 performance goals and the individual’s performance related to each for the 2015 year.

- (a) Mr. Davis’ performance goals and his performance related to each for the 2015 year were as follows:

MARK DAVIS, CHIEF EXECUTIVE OFFICER	
Criteria/Performance Goal	Actual Performance
<u>Environmental, Health & Safety Performance</u> Top quartile EH&S performance with recordable incidents below target of 1.0	1. Did not achieve target for recordable incidents; however, 2015 marked the lowest lost-time injury rate in Chemtrade’s history. 2. Continued implementation of EH&S programs to reinforce the desired culture and ultimate goal of zero injuries. 3. Continued evaluation and identification of areas of improvement.
<u>Annual Financial Goals</u> 1. Achieve D-Cash targets 2. Provide Unitholders with stable distributions	1. D-Cash for 2015 exceeded the target. 2. Distributions in 2015 were \$1.20 per Unit as indicated prior to the beginning of the fiscal period.

MARK DAVIS, CHIEF EXECUTIVE OFFICER	
Criteria/Performance Goal	Actual Performance
<u>High Performance Culture</u> Attract, retain and motivate a Leadership Team within a high performance culture	<ol style="list-style-type: none"> 1. Re-structured responsibilities at the senior level to better align the drivers necessary to create value with the appropriate businesses and for scalability of the business for future growth. 2. Enhanced development, training and succession planning of key individuals below the NEO level.
<u>Operational Excellence</u> Execute initiatives that will improve the long term sustainability of the D-Cash currently being generated	<ol style="list-style-type: none"> 1. Improved the operating efficiencies and reliability of our assets by continuing to allocate the organization's capital resources including substantial investments in our newly acquired sites to bring up to Chemtrade standard, and investments in organic growth opportunities and process improvements. 2. Implemented organizational effectiveness initiative stressing improvements through implementing and improving processes and driving a "management by process" culture. 3. Successfully closed the acquisition of Hydor-Tech Ltd.

(b) Mr. Bhardwaj's performance goals and his performance related to each for the 2015 year were as follows:

ROHIT BHARDWAJ, CHIEF FINANCIAL OFFICER	
Criteria/Performance Goal	Actual Performance
<u>Environmental, Health & Safety Performance</u> Top quartile EH&S performance with recordable incidents below target of 1.0	<ol style="list-style-type: none"> 1. Did not achieve target for recordable incidents; however, 2015 marked the lowest lost-time injury rate in Chemtrade's history. 2. Continued implementation of EH&S programs to reinforce the desired culture and ultimate goal of zero injuries. 3. Continued evaluation and identification of areas of improvement.
<u>Annual Financial Goals</u> <ol style="list-style-type: none"> 1. Achieve D-Cash targets 2. Provide Unitholders with stable distributions 	<ol style="list-style-type: none"> 1. D-Cash for 2015 exceeded the target. 2. Distributions in 2015 were \$1.20 per Unit as indicated prior to the beginning of the fiscal period.
<u>High Performance Culture</u> Attract, retain and motivate a high performance culture	<ol style="list-style-type: none"> 1. Continued restructuring of finance and IT organizations to align with business needs and become more effective through process improvements. 2. Enhanced coaching and development of key direct reports.

ROHIT BHARDWAJ, CHIEF FINANCIAL OFFICER	
Criteria/Performance Goal	Actual Performance
<u>Operational Excellence</u> Execute initiatives that will contribute to the continued development of a low cost business model	<ol style="list-style-type: none"> 1. Co-led the organization effectiveness initiative seeking out and implementing improvements to key functional and operational processes 2. Successfully implemented plan to de-risk Chemtrade's pension plans on a go-forward basis. 3. Extended maturity date for Chemtrade's secured credit agreement and improved tax planning and structure, improving capital structure of the Fund.

(c) Mr. Aarts' performance goals and his performance related to each for the 2015 year were as follows:

LEON AARTS, GROUP VICE-PRESIDENT	
Criteria/Performance Goal	Actual Performance
<u>Environmental, Health & Safety Performance</u> Top quartile EH&S performance with recordable incidents below target of 1.0	<ol style="list-style-type: none"> 1. Did not achieve target for recordable incidents; however, 2015 marked the lowest lost-time injury rate in Chemtrade's history. 2. Continued implementation of EH&S programs to reinforce the desired culture and ultimate goal of zero injuries. 3. Continued evaluation and identification of areas of improvement.
<u>Annual Financial Goals</u> <ol style="list-style-type: none"> 1. Achieve D-Cash targets 2. Provide Unitholders with stable distributions 	<ol style="list-style-type: none"> 1. D-Cash for 2015 exceeded the target. 2. Distributions in 2015 were \$1.20 per Unit as indicated prior to the beginning of the fiscal period.
<u>High Performance Culture</u> Execute initiatives focused on integration and organizational effectiveness	<ol style="list-style-type: none"> 1. Continued development of people and structure within his Group to better drive safety, efficiency and process culture of Chemtrade. 2. Enhanced use and reliance on key direct reports and leadership team to implement strategic initiatives and focus on long term strategic direction.
<u>Operational Excellence</u> Execute initiatives that will improve the long term sustainability of the D-Cash currently being generated	<ol style="list-style-type: none"> 1. Led the sales organization's process and performance improvements. 2. Championed organic growth opportunities in adjuvants, KCL and ultra pure acid. 3. Improved the operating efficiencies and reliability of our assets by continuing to allocate the organization's capital resources including substantial investments in our newly acquired sites to bring up to Chemtrade standard.

(d) Mr. McCullough's performance goals and his performance related to each for the 2015 year were as follows:

TAB McCULLOUGH, GROUP VICE-PRESIDENT	
Criteria/Performance Goal	Actual Performance
<u>Environmental, Health & Safety Performance</u> Top quartile EH&S performance with recordable incidents below target of 1.0	<ol style="list-style-type: none"> 1. Did not achieve target for recordable incidents; however, 2015 marked the lowest lost-time injury rate in Chemtrade's history. 2. Continued implementation of EH&S programs to reinforce the desired culture and ultimate goal of zero injuries. 3. Continued evaluation and identification of areas of improvement.
<u>Annual Financial Goals</u> <ol style="list-style-type: none"> 1. Achieve D-Cash targets 2. Provide Unitholders with stable distributions 	<ol style="list-style-type: none"> 1. D-Cash for 2015 exceeded the target. 2. Distributions in 2015 were \$1.20 per Unit as indicated prior to the beginning of the fiscal period.
<u>High Performance Culture</u> Attract, retain and motivate a high performance culture	<ol style="list-style-type: none"> 1. Continued development of people and structure within his Group to better drive safety, efficiency and process culture of Chemtrade. 2. Enhanced use and reliance on key direct reports and leadership team to implement strategic initiatives and focus on long term strategic direction.
<u>Operational Excellence</u> Execute initiatives that will facilitate operational sustainability	<ol style="list-style-type: none"> 1. Led EH&S (including Chemtrade's compliance to the Responsible Care codes of practice) and manufacturing organization's process and performance improvements. 2. Championed organic growth opportunities in PACI and ACH.

(e) Mr. St. Pierre's performance goals and his performance related to each for the 2015 year were as follows:

MICHAEL ST. PIERRE, GROUP VICE-PRESIDENT	
Criteria/Performance Goal	Actual Performance
<u>Environmental, Health & Safety Performance</u> Top quartile EH&S performance with recordable incidents below target of 1.0	<ol style="list-style-type: none"> 1. Did not achieve target for recordable incidents; however, 2015 marked the lowest lost-time injury rate in Chemtrade's history. 2. Continued implementation of EH&S programs to reinforce the desired culture and ultimate goal of zero injuries. 3. Continued evaluation and identification of areas of improvement.

MICHAEL ST. PIERRE, GROUP VICE-PRESIDENT	
Criteria/Performance Goal	Actual Performance
<u>Annual Financial Goals</u> 1. Achieve D-Cash targets 2. Provide Unitholders with stable distributions	1. D-Cash for 2015 exceeded the target. 2. Distributions in 2015 were \$1.20 per Unit as indicated prior to the beginning of the fiscal period.
<u>High Performance Culture</u> Attract, retain and motivate a high performance culture	1. Continued development of people and structure within his Group to better drive safety, efficiency and process culture of Chemtrade. 2. Enhanced use and reliance on key direct reports and leadership team to implement strategic initiatives and focus on long term strategic direction.
<u>Operational Excellence</u> Execute initiatives that will facilitate operational sustainability	1. Assumed role of Group Vice-President, Global Services with mandate to improve processes and systems in each function, pursue best practices and establish a highly functioning centre-led procurement function. 2. Led development of improved human resource performance management system with focus on the effective development of Chemtrade employees and culture of coaching of direct reports by managers.

Role of Compensation Consultants

The Compensation and Corporate Governance Committee engages the services of Towers Watson, an independent third party consultant, to provide competitive benchmark compensation data for the senior executive team and the Trustees. Towers Watson has been providing services to the Compensation and Corporate Governance Committee since January 2004. In 2014 and 2015, the mandate provided by the Compensation and Corporate Governance Committee for the executive compensation-related work was to conduct a competitive review. In 2014, the non-executive compensation work performed by Towers Watson for management during the year was a competitive compensation review of European operations. Pre-approval by the Board or the Compensation and Corporate Governance Committee for the latter work was not required.

The fees paid by the Fund to these consultants are as set out below:

Year	Consultant	Executive Compensation-Related Fees	All Other Fees
2014	Towers Watson	\$114,000	\$14,700
2015	Towers Watson	\$101,000	Nil

INCENTIVE PLAN AWARDS

Name	Share-based Awards – Value Vested During the 2015 Year (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation – Value Earned During the 2015 Year (\$) ⁽²⁾		
		Annual IC Plans	Long-Term Incentive Plans	Total
Mark Davis	1,641,834	1,120,000	850,000	1,970,000
Rohit Bhardwaj	269,418	272,500	250,000	522,500
Leon Aarts ⁽³⁾	269,418	305,920	250,000	555,920
Tab McCullough ⁽³⁾	269,418	305,920	250,000	555,920
Michael St. Pierre	161,651	183,000	150,000	333,000

NOTES:

- ⁽¹⁾ The column entitled “Share-Based Awards – Value Vested During the 2015 Year” is composed of the number of RSU’s vested in 2015 (see 2013-2015 LTIP) multiplied by \$17.86/Unit being the closing price on the vesting date of December 31, 2015.
- ⁽²⁾ The column entitled “Non-Equity Incentive Plan Compensation –Value Earned During the 2015 Year” is composed of the amount earned from the 2015 Annual IC plan and the amount earned in 2015 pursuant to the PMP component of the 2013-2015 LTIP, as disclosed in the Summary Compensation Table above.
- ⁽³⁾ For Messrs. Aarts and McCullough, the number in the column entitled “Annual IC Plans” column has been converted from U.S. currency to Canadian currency using an exchange rate of 1.28, being an average exchange rate for the year.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The series of tables below show the amount of compensation that would be owing to each Named Executive Officer if the event specified were to have occurred on December 31, 2015.

Termination without Cause

In the case of termination without cause, all Named Executive Officers other than Messrs. Davis and St. Pierre will be paid, by way of a lump sum payment (less statutory deductions), 18 months’ annual compensation, where annual compensation is equal to base salary plus target annual incentive compensation. Target incentive compensation is 50% of base salary for the CFO and each of the Group Vice-Presidents except Mr. St. Pierre, whose target incentive compensation is 45% of base salary.

In the case of Mr. Davis, if there is a termination without cause, his employment agreement provides that he is to receive two times the sum of: (i) base salary and annualized car payments at the rates in effect immediately prior to termination, and (ii) the average of his last two annual bonus payments. In addition, he is to receive the continuation of employment-related benefits for two years or payment in lieu of such benefits and to have vested all issued and outstanding Units, options, RSU’s or other forms of equity or contingent compensation granted by the Fund prior to termination. As of December 31, 2015 the only applicable grants would be the awards under the LTIP.

In the case of Mr. St. Pierre, if there is a termination without cause, his employment agreement provides that he is to be paid by way of a lump sum payment (less statutory deductions), an amount equal to the sum of: (i) annual salary at the rate in effect immediately prior to termination, and (ii) the amount of bonus entitlement for the Fund’s most recently completed financial year.

All of the above-noted payouts would be paid to the NEO following receipt of a release executed by the relevant NEO in favour of Chemtrade and the passage of any applicable revocation period.

Upon termination without cause of any of the Named Executive Officers, on the termination date, any cash award under the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP not vested is deemed fully vested and the amount of the cash award is calculated as follows:

1. For the RSU component – the notional Units held on the last day of active service will be adjusted by assuming that distributions will continue unchanged through the end of the original Performance Period, or if shorter, through the end of the reasonable notice period that Chemtrade may be required at law to provide to the NEO or may have provided to the NEO.
2. For the PMP component:
 - a. Payouts - will be reduced by multiplying the original performance thresholds by a factor equal to the length of the Performance Period elapsed until the termination date (which includes a reasonable notice period that Chemtrade may be required at law to provide to the NEO or may have provided to the NEO) divided by the length of the original Performance Period
 - b. Performance Achievement Thresholds:
 - i. TUR & EBITDA Growth – will be reduced by multiplying the original performance thresholds by a factor equal to the length of the Performance Period elapsed until the termination date divided by the length of the original Performance Period.
 - ii. RTR – will be unchanged.
 - c. Performance Achievement will be based on TUR and RTR achieved through the end of active service, for the purposes of the TUR and RTR components, respectively. EBITDA Growth will be based on EBITDA achieved through the end of the last fiscal quarter prior to the end of the active service.

The table below shows the amount of compensation that would be owing to each Named Executive Officer if a termination without cause were to have occurred on December 31, 2015.

Name	Termination Without Cause					
	Base Salary (\$)	Annual IC (\$)	LTIP (\$) ⁽¹⁾	Pensions (\$) ⁽²⁾	Other Benefits (\$)	Total (\$)
Mark Davis	1,521,400	2,031,500	6,666,040	1,750,000	125,000	12,093,940
Rohit Bhardwaj	555,000	277,500	1,411,210	Nil	Nil	2,243,710
Leon Aarts ⁽³⁾	672,750	336,375	1,411,210	Nil	Nil	2,420,335
Tab McCullough ⁽³⁾	672,750	336,375	1,411,210	Nil	Nil	2,420,335
Michael St. Pierre	275,600	135,349	908,860	Nil	Nil	1,319,809

NOTES:

- ⁽¹⁾ The payouts for the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP are based on a weighted average Unit price of \$17.00 for the last twenty business days prior December 31, 2015.
- ⁽²⁾ For Mr. Davis, the amount under the column entitled “Pensions” represents the accumulated value of the SERP (see above under heading “Supplemental Executive Retirement Plan”) as of December 31, 2015 plus an amount equal to the value for two years thereafter for this employment related benefit as payment in lieu.
- ⁽³⁾ For Messrs. Aarts and McCullough, the amounts in the column entitled “Base Salary” and “Annual IC” columns have been converted from U.S. currency to Canadian currency using an exchange rate of 1.38 as at December 31, 2015.

Change of Control

In the event that Mr. Davis resigns with good reason (as defined in his employment agreement) within one year of a change of control, Mr. Davis's employment agreement provides that he is to receive two times the sum of: (i) base salary and annualized car payments at the rates in effect immediately prior to termination, and (ii) the average of his last two annual bonus payments. In addition, he is to receive the continuation of employment related benefits for two years or payment in lieu of such benefits and to have vested all issued and outstanding Units, options, RSU's or other forms of equity or contingent compensation granted by the Fund prior to termination. As of December 31, 2015 the only applicable grants would be the awards under the LTIP.

For the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP, in the case of a change of control, on the effective date of the change of control, any cash award to any of the Named Executive Officers under the LTIP that is not vested is deemed fully vested and the cash award is calculated as follows:

1. For the RSU component – the notional Units held on the last day prior to the change of control will be adjusted by assuming that distributions will continue at the rate that prevailed immediately prior to the announcement of the change of control transaction (“COC Announcement Date”) and will be notionally reinvested at the average unit price prevailing immediately prior to the closing of the change of control (“COC Unit Price”).
2. For the PMP component:
 - a. Payouts - will be unchanged.
 - b. Performance Achievement Thresholds:
 - i. TUR – The ending Unit price to be used in determining the capital component of the actual TUR achieved will be COC Unit Price and the actual aggregate distribution rate achieved until the COC Announcement Date will be extrapolated to the end of the original Performance Period in order to determine the distribution component of the actual TR achieved.
 - ii. EBITDA Growth – Actual EBITDA achieved will be calculated by extrapolating (to the end of the end of the original Performance Period) the aggregate EBITDA earned during the Performance Period through the end of the last fiscal period for which results were publicly announced prior to the closing of the change of control transaction (“COC Closing Date”).
 - iii. RTR – The actual RTR achieved will be based upon the period immediately preceding the COC Closing Date.

For the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP, there will be no change in the timing of the payout of any cash award in respect of the change of control, other than a subsequent death, incapacity, termination without cause or retirement of the NEO, in which case payout shall occur within 90 days of the end of active service.

The table below shows the amount of compensation that would be owing to each Named Executive Officer if a change of control were to have occurred on December 31, 2015.

		Change of Control					
Name		Base Salary (\$)	Annual IC (\$)	LTIP (\$) ⁽¹⁾	Pensions (\$) ⁽²⁾	Other Benefits (\$)	Total (\$)
Mark Davis	Resignation Within One Year of Change of Control	1,521,400	2,031,500	6,809,600	1,750,000	125,000	12,237,500
	Change of Control	Nil	Nil	6,809,600	Nil	Nil	6,809,600
Rohit Bhardwaj		Nil	Nil	1,503,470	Nil	Nil	1,503,470
Leon Aarts		Nil	Nil	1,503,470	Nil	Nil	1,503,470
Tab McCullough		Nil	Nil	1,503,470	Nil	Nil	1,503,470
Michael St. Pierre		Nil	Nil	1,010,300	Nil	Nil	1,010,300

NOTE:

- (1) The payouts for the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP are based on a weighted average Unit price of \$17.01 for the last twenty business days ending 2 business days prior to December 31, 2015.
- (2) For Mr. Davis, the amount under the column entitled "Pensions" represents the accumulated value of the SERP (see above under heading "Supplemental Executive Retirement Plan") as of December 31, 2015 plus an amount equal to value for two years thereafter for this employment related benefit as payment in lieu.

Retirement, Death or Incapacity

For the purposes of the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP, upon retirement, death or incapacity of a Named Executive Officer, the NEO is considered to remain an active member of the plan and will be paid out as though employment continued throughout the remaining Performance Period. Therefore it is not possible to determine the potential payout until the end of the Performance Period. For the purposes of the below table, it was assumed that the performance levels achieved through December 31, 2015 would continue through the remainder of the Performance Period.

The table below shows the amount of compensation that would be owing to each Named Executive Officer if retirement, death or incapacity were to have occurred on December 31, 2015.

Name	Retirement ⁽¹⁾ /Death/Incapacity					
	Base Salary (\$)	Annual IC (\$)	LTIP (\$) ⁽²⁾	Pensions (\$) ⁽³⁾	Other Benefits (\$)	Total (\$)
Mark Davis	Nil	Nil	6,339,030	1,050,000	Nil	7,389,030
Rohit Bhardwaj	Nil	Nil	1,405,410	Nil	Nil	1,405,410
Leon Aarts	Nil	Nil	1,405,410	Nil	Nil	1,405,410
Tab McCullough	Nil	Nil	1,405,410	Nil	Nil	1,405,410
Michael St. Pierre	Nil	Nil	948,540	Nil	Nil	948,540

NOTES:

- (1) Retirement at age 55 or over, or retirement so deemed by the Board for purposes of the LTIP.
- (2) The payouts for the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP are based on a weighted average Unit price of \$15.51 for the first twenty business days after December 31, 2015.
- (3) For Mr. Davis, the amount under the column entitled "Pensions" represents the accumulated value of the SERP (see above under heading "Supplemental Executive Retirement Plan") as of December 31, 2015.

Termination with Cause or Resignation

All unvested and all vested but unpaid awards under the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP are terminated in the event of termination with cause or resignation and any payouts under such plans are forfeited. There would be no compensation owing to the Named Executive Officers under the 2013-2015 LTIP, 2014-2016 LTIP and 2015-2017 LTIP if a termination with cause or resignation were to have occurred on December 31, 2015 as these awards would not have vested prior to such date.

The employment agreements of Messrs. Bhardwaj and McCullough contain agreements not to compete during the period of employment and for two years post termination, respectively. The employment agreement of Mr. St. Pierre contains agreements not to compete during the period of employment. It also contains a non-solicitation provision. All three employment agreements also contain confidentiality provisions.

TRUSTEE COMPENSATION

The compensation of the Board is designed to (i) attract and retain the most qualified people to serve on the Board and its committees; (ii) align the interests of the Trustees with the interests of the Unitholders; and (iii) provide appropriate compensation for the risks and responsibilities related to being an effective trustee.

Name	Position on Board and Committees	2015 Total Fees Earned (\$)
David Colcleugh	Chair, Compensation and Corporate Governance Committee	125,000
Lucio Di Clemente	Chair, Audit Committee	125,000
David Gee	Chair, Responsible Care Committee	125,000
Susan McArthur	Board Member	125,000
Katherine Rethy	Board Member	62,500
Lorie Waisberg	Chair, Board	150,000

The level of Trustee compensation is determined by the Compensation and Corporate Governance Committee and only non-management Trustees are entitled to compensation for their role. In determining Trustee compensation, the Compensation and Corporate Governance Committee considers competitive data provided by Towers Watson. For the 2015 year, each Trustee (except the Chair) earned an annual aggregate retainer of \$125,000 and the Chair earned \$150,000. In addition, the Trustees must receive at least 30% of their retainer in the form of equity under the Deferred Unit Plan and may elect to receive the remainder in cash (see below under the heading “Deferred Unit Plan”). The Compensation and Corporate Governance Committee considers that an all-in retainer enables management to access the Board more freely than would a model that charges a per-meeting fee. While each individual Trustee’s commitment and responsibilities are of a similar level, by setting the Chair’s retainer at a higher level, the Compensation and Corporate Governance Committee wished to reflect and competitive positioning and Chemtrade’s size. The requirement to take a portion of the retainer in equity reflects the Compensation and Corporate Governance Committee’s overall philosophy regarding having some amount of “at risk” compensation.

Trustee Hold Requirements

There is also a requirement that each Trustee and director (other than members of management) hold Units and/or Deferred Units in an amount equal to three times his or her annual retainer, such amount to be attained within five years after appointment. To calculate whether the target Unit and Deferred Unit investment has been reached, the greater of the Unit value at the date of purchase or the Unit value at the date of calculation is used. The Unit value at the date of calculation used for purposes of the table below was \$16.92/Unit, being the closing price on March 3, 2016. The holding levels of each non-management Trustee are set out below.

Trustee	Target Unit Investment (multiple of annual retainer)	Actual Unit Investment (multiple of annual retainer)
David Colcleugh	3.0	12.9
Lucio Di Clemente	3.0	3.1
David Gee	3.0	6.8
Susan McArthur ⁽¹⁾	3.0	2.5
Katherine Rethy ⁽²⁾	3.0	0.7
Lorie Waisberg	3.0	4.9

NOTES:

- ⁽¹⁾ Ms. McArthur was appointed to the Board on August 8, 2012 and has until August 2017 to attain the mandated hold level.
- ⁽²⁾ Ms. Rethy was appointed to the Board on July 1, 2015 and has until July 2020 to attain the mandated hold level.

Deferred Unit Plan

The Fund has in place a deferred unit compensation plan (the “Deferred Unit Plan”). The Deferred Unit Plan provides for the grant to Trustees and directors (other than members of management) (“participants”) of deferred trust units (“Deferred Units”).

Pursuant to the Deferred Unit Plan, each participant is entitled to elect quarterly in advance to have all or a portion of his or her retainer for the ensuing period allocated to the Deferred Unit Plan and the Compensation and Corporate Governance Committee has chosen to require that at least 30% be taken in Deferred Units. Upon such an election, a number of Deferred Units are allocated to the participant in lieu of cash payment of remuneration based on the market value of the Units at the time of the allocation. For the 2015 year, each of Mr. Colcleugh and Ms. Rethy elected to have 100% of his/her retainer allocated to the Deferred Unit Plan, Ms. McArthur elected to have 75% of her retainer allocated to the Deferred Unit Plan, Mr. Waisberg elected to have 50% of his retainer allocated to the Deferred Unit Plan, and each of Mr. Di Clemente and Mr. Gee elected to have 30% of his retainer allocated to the Deferred Unit Plan.

Additional Deferred Units are granted to participants holding Deferred Units based on distributions paid by the Fund on Units. The number of Deferred Units granted to a participant is calculated by multiplying the aggregate number of Deferred Units held by such participant on the record date for a distribution by the amount of such distribution paid by the Fund on one Unit and dividing the result by the market price of a Unit on the date the distribution is paid.

The Deferred Unit Plan provides that once a participant ceases to be a Trustee or a director, as the case may be, he or she will be entitled to receive a number of Units equal to the number of Deferred Units held at the time of retirement. The participant may at his or her option elect to receive cash instead of such Units. The amount received upon such election is equal to the number of Deferred Units held at the time of retirement multiplied by the market price of a Unit on the date a participant ceases to be a Trustee or a

director, less any applicable tax withheld. The Fund intends to fulfil any obligation to deliver Units under the Deferred Unit Plan by purchasing the requisite number of Units in the secondary capital market.

The table below sets out the Deferred Units that vested to each non-management Trustee during the year ended December 31, 2015.

Trustee	Share-based Awards – Value vested during the year (\$)
David Colcleugh	193,453
Lucio Di Clemente	63,312
David Gee	83,953
Susan McArthur	93,533
Katherine Rethy	31,749
Lorie Waisberg	110,941

Compensation of Directors and Executive Officers of the Chemtrade Group

None of the current directors of the Chemtrade Group earn any compensation for their services since they are all members of management.

NON-IFRS MEASURES

The term “D-Cash” is a non-IFRS measure and it is used in this Information Circular to mean the non-IFRS term “Distributable cash after maintenance capital expenditures” excluding any accrual for the TR LTIP or LTIP. The table and text below is provided to explain Chemtrade’s use of the term “Distributable cash after maintenance capital expenditures”.

Cash Flow -The following table is derived from, and should be read in conjunction with, the consolidated statement of cash flows contained in the Fund’s Consolidated Annual Financial Statements for the year ended December 31, 2015. Management believes this supplementary disclosure provides useful additional information related to the cash flows of the Fund including the amount of cash available for distribution to Unitholders, repayment of debt and other investing activities. Certain sub-totals presented within the cash flows table below, such as “Adjusted cash flows from operating activities”, “Distributable cash after maintenance capital expenditures” and “Distributable cash after all capital expenditures”, are not defined terms under International Financial Reporting Standards (“IFRS”). These sub-totals are used by management as measures of internal performance and as a supplement to the consolidated statement of cash flows. Investors are cautioned that these measures should not be construed as an alternative to using net income as a measure of profitability or as an alternative to the IFRS consolidated statement of cash flows. Further, the Fund’s method of calculating each measure may not be comparable to calculations used by other income trusts bearing the same description.

<i>(\$'000)</i>	December 31, 2015
Cash flows from operating activities	\$ 161,974
Add (deduct):	
Changes in non-cash working capital and other items	26,149
<i>Adjusted cash flows from operating activities</i>	188,123
Less:	
Maintenance capital expenditures	52,468
<i>Distributable cash after maintenance capital expenditures</i>	135,655
Less:	
Non-maintenance capital expenditures ⁽¹⁾	11,585
<i>Distributable cash after all capital expenditures</i>	\$ 124,070

NOTE:

- (1) Non-maintenance capital expenditures are: (a) pre-funded, usually as part of a significant acquisition and related financing; (b) considered to expand the capacity of Chemtrade's operations; (c) significant environmental capital expenditures that are considered to be non-recurring; or (d) capital expenditures to be reimbursed by a third party.

DIRECTORS' AND OFFICERS' INSURANCE

The Fund has policies of insurance for its Trustees and officers, as well as the directors and officers of its subsidiaries. The policies also insure the Fund against liability for securities claims. The aggregate limit of liability under the policies is \$75 million, inclusive of defence costs. Individual Trustees, directors and officers are insured against loss arising out of covered wrongful acts, except to the extent that the Fund has indemnified such individuals. Under the policies, the Fund has coverage to the extent that the Fund has indemnified the Trustees, directors and officers for covered wrongful acts in excess of a per loss retention of \$100,000, and \$250,000 with respect to securities claims.

For the period from January 1, 2015 to December 31, 2015, the total premium paid on the policies was \$159,837. Because the policies are subject to aggregate limits of liability, the amount of coverage may be diminished or exhausted by any claims made thereon. Also, continuity of coverage is contingent upon the availability of renewal insurance, or of replacement insurance without a retroactive date to limit coverage for prior wrongful acts.

No claim has been made to date pursuant to the policies.

INDEBTEDNESS OF TRUSTEES, DIRECTORS, OFFICERS AND EMPLOYEES

No amounts required to be disclosed are owed to the Fund or its subsidiaries by any Trustee, director, officer or employee of the Fund or any subsidiary as at December 31, 2015.

FINANCIAL INSTRUMENTS

There are no restrictions on the purchase by NEOs or directors/Trustees of financial instruments designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director/Trustee, except pursuant to the Fund's Insider Trading Policy and Procedures which prohibits the sale of a "call" on Chemtrade Securities (i.e. giving someone else the right to buy Chemtrade Securities at a pre-established price on a later date) and the buying of a "put" on Chemtrade Securities (i.e. acquiring the right to sell Chemtrade Securities to someone else at a pre-established price on a later date). The definition of "Chemtrade Securities" for purposes of the Insider Trading Policy means Units of the Fund, options to purchase such Units and any other types of securities that the Fund may from time to time issue, such as debt securities, convertible debentures and exchange-traded options or other derivative securities, issued by the Fund or a third party. Other than the restrictions set forth in the Insider Trading Policy, the Compensation and Corporate Governance Committee determined that the requirement under securities law to disclose the purchase of such a financial instrument would serve as a sufficient deterrent.

INTERESTS OF INSIDERS IN MATERIAL TRANSACTIONS

Except as disclosed in this Information Circular, the Trustees are not aware of any material interest of any Trustee or officer of the Fund, or any director or officer of any Chemtrade Group entity or any Unitholder who beneficially owns more than 10% of the Units, or any known associate or affiliate of these persons, in any transaction since the commencement of the last fiscal year of the Fund or in any proposed transaction, that has materially affected or would materially affect the Fund.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The following description of corporate governance practices of the Fund is made with reference to National Instrument 58-101, Disclosure of Corporate Governance Practices ("NI 58-101") and National Policy 58-201, Corporate Governance Guidelines ("NP 58-201").

The Trustees consider good corporate governance to be central to the effective and efficient operation of the Fund. As a result of the structure of the Fund, NI 58-101 and NP 58-201 are best addressed by the Trustees of the Fund together with the boards of directors of the Chemtrade Group. The Fund is a limited purpose trust created to invest in and hold the securities of the Fund's subsidiaries. The Fund does not conduct any active business and the role of the Trustees, pursuant to the Declaration of Trust, is primarily to vote on behalf of and represent the Fund as a shareholder and noteholder of the Chemtrade Group; hold title to the assets of the Fund; declare distributions from the Fund to the Unitholders; and provide reports to the Unitholders. The business of each of the Chemtrade Group entities is supervised by its board of directors. The Fund is able to obtain information and reporting and to exercise appropriate direction over the Chemtrade Group entities because each of the board members of the Canadian Chemtrade Group entities is also an officer of the Fund. The boards of directors of the Canadian Chemtrade Group entities consist of the CEO, Chief Financial Officer and Corporate Secretary of the Fund.

Remarks of Chair regarding the Fund’s Corporate Governance Practices

The Fund, through its Compensation and Corporate Governance Committee and with the assistance of senior management, devotes a significant amount of time and effort to ensure that sound corporate governance practices are followed. However, it is noteworthy that the members of the Board and the Compensation and Corporate Governance Committee pride themselves on *not* following corporate governance practices simply in order to “check the box”. Rather, Board and Committee members strive continuously to adopt those practices which drive value for Chemtrade and its Unitholders. For example, as discussed below (see “Nominations of Trustee”), the Board considers that it is more important when hiring management or board members to attract talented strong-willed individuals with the ability to approach issues from a variety of angles than to hire individuals of a certain gender or background. Similarly, Chemtrade’s management team, with the Board’s support, strives to undertake those actions which will result in creating a better organization, whether from a financial, safety, environmental or personnel point of view.

Similarly, the Board has carefully considered, but to date not adopted, an advisory vote on executive compensation (so called “Say on Pay”). The reasons for this are discussed below (see “Say on Pay”).

As noted below (see “Renewal of Board”), the Board has not adopted a fixed retirement age nor a term limit. The Board believes that such bright line tests are not a useful way to enhance Board performance. Instead, the Board performs an annual 360 Degree Evaluation (see “Trustee Assessment”) to help assess individual Trustee performance and ensure that all Board members are performing at a level that meets the Board’s expectations for creating value for Chemtrade and its Unitholders.

This same results-oriented approach has been applied to the structure of the Board itself. Because the six independent Trustees sit on both the Board and its committees (and the only management Trustee, Mr. Davis, attends all meetings of all of the committees), there is a common level of understanding and a depth of knowledge regarding the operations of the organization, the issues that each committee is facing, and the overall strategy of the organization, that is shared by all Board members. The paragraphs that follow provide some insight into the various corporate governance practices that have been adopted by the Fund to date. These practices are periodically reviewed and updated and new developments in the field are closely watched and considered, with those deemed appropriate for the organization and structure of the Board and its committees being implemented.

This year the Board carefully considered the rights, remedies and procedures available to Unitholders under the Declaration of Trust and have determined that it is appropriate at this time to seek approval of Unitholders to amend the Declaration of Trust to further align it with evolving governance best practices. This is discussed in detail above (see “Special Business – Amendments to the Declaration of Trust”).

Lorie Waisberg, Chair, Board of Trustees

Mandate of the Board of Trustees

The Declaration of Trust provides, among other things, that the Trustees shall supervise and manage the investments and affairs of the Fund. The mandate of the Board of Trustees (the “Board Mandate”) is consistent with the requirements of NI 58-101 and NP 58-201. The Board Mandate is reviewed annually, the last such review taking place in August 2015. The text of the Board Mandate is as follows:

“The Board of Trustees of the Fund (the “Board”) shall be responsible for the stewardship of the Fund, including supervision of the management of the business and affairs of the Fund, and shall have the

powers and authorities set out in the Declaration of Trust. In fulfilling its mandate, the Board shall, either directly or indirectly through committees of the Board:

1. establish broad parameters within which the Fund's management is to operate, including the adoption of a strategic planning process and approving, on an annual basis, a strategic plan taking into account, among other things, the opportunities and risks of the business;
2. review the framework to identify the principal risks of the Fund's business, and ensure the implementation of appropriate systems to manage these risks;
3. monitor the integrity of all public disclosures, financial and otherwise, of the Fund;
4. adopt and monitor for effectiveness, a communications policy for the Fund;
5. monitor the appropriateness for the nature of the Fund's enterprise, the internal control and management information systems adopted by the Fund and its subsidiaries (the "Organization");
6. appoint a Chief Executive Officer ("CEO") for the Fund and provide guidance and advice to the management team;
7. assess the effectiveness of the management team of the Organization, consisting of the CEO and the senior officers who report directly to the CEO and such other employees as may be identified by the Board (collectively, the "Designated Employees"), by overseeing performance management evaluations, management development and training programs and succession planning;
8. review the compensation policies and processes (including incentive compensation and equity compensation plans) of the Organization and in particular, of the Designated Employees;
9. take reasonable steps to satisfy itself as to the integrity of the CEO and other Designated Employees and that the CEO and Designated Employees create a culture of integrity throughout the Organization;
10. develop the Fund's approach to corporate governance, including the expectations and responsibilities of Trustees; and
11. ensure that a process is implemented for the Board to receive feedback directly from stakeholders.

Board Assessment

On an annual basis, the Board shall follow the process established by the Trustees and overseen by the Compensation and Corporate Governance Committee for assessing the performance of the Board."

*** End of Board Mandate ***

Committees

The Board is assisted in certain areas by its three standing committees:

Audit Committee - responsible for monitoring the Fund's financial reporting accounting systems and internal controls, liaising with external auditors and for identifying, assessing and managing risks.

Compensation and Corporate Governance Committee - responsible for retaining key senior management employees, including the CEO, who have the skills and expertise needed to enable the Fund to achieve its goals and strategies at fair and competitive compensation and appropriate performance incentives; developing, recommending to the Board, implementing and assessing effective corporate governance principles; identifying candidates for Trustees and recommending to the Board any changes to the incumbent Trustees; overseeing and assessing the functioning of the Board and its Committees; and reviewing public disclosure related to executive compensation.

Responsible Care Committee - oversight responsibilities relating to (i) the organization's environmental, health, safety and security philosophy; (ii) environmental, health, safety and security policies to ensure they are appropriate to mitigate risk and ensure statutory compliance; and (iii) the organization's environmental, health, safety and security performance to ensure compliance with the organization's policies.

Board Mandate and Charters of all of these committees are available at www.chemtradelogistics.com.

Stewardship

The Trustees, in directing the Fund (and in conjunction with the Chemtrade Group directors), explicitly assume overall stewardship responsibility, including:

- (a) participation in strategic planning through an annual review of strategic and financial plans developed and proposed by the Fund and the Chemtrade Group senior management;
- (b) consideration of the principal risks of the Fund and the Chemtrade Group's business during the annual strategic and financial plan review, and in conjunction with quarterly operational reports from senior management;
- (c) attraction, development and retention of senior management, including mentoring and monitoring performance of current management, and ensuring that an orderly plan for succession is in place;
- (d) approval and review as appropriate of the Fund's investor relations and disclosure policies; and
- (e) through the Fund's Audit Committee, assessment of the integrity of internal controls and relevant management information systems.

Independence

Board Members Independent

All of the Trustees are nominated for re-election as contemplated by this Information Circular. All but one of the Trustees is "independent" as that term is defined in NI 58-101 and NP 58-201. Trustee Mark Davis is CEO of the Fund and each Chemtrade Group entity and is a director of each Chemtrade Group entity and therefore is not independent. The Chair of the Board and the chairs of each of the Audit Committee, the Compensation and Corporate Governance Committee and the Responsible Care

Committee (collectively, the “Committees”) are all independent. A trustee is “independent” pursuant to NI 58-101 and NP 58-201 if such trustee has no direct or indirect “material relationship” with the Fund. A “material relationship” means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a trustee’s independent judgement. As well, certain individuals are deemed to have a material relationship with an issuer under NI 58-101 and NP 58-201.

Each year, the Fund requires the Trustees to update their disclosure regarding relevant facts for determining each Trustee’s status as “independent” pursuant to the definitions set forth in NI 58-101 and NP 58-201.

Trustee Independence from Management

The Trustees have put in place appropriate structures and procedures to ensure that they can effectively function independently of management, including appointing an independent Chair of the Board who ensures that the Trustees appropriately discharge their responsibilities and who, as necessary, appoints an independent Trustee delegate to act in his absence; and who regularly meets with the independent Trustees without Mr. Davis or other management present. The Committee Charters require periodic meetings without management present and in addition, any Trustee can request such a meeting at any time. Since the five independent Trustees sit on the Board as well as attend all Committee meetings, and since the quarterly Committee meetings are held on the same day as, or within one day of, the Board meeting, the Trustees are able to raise issues relating to the topics of concern to all Committees at any such *in camera* meeting. In 2015, the Board and all of the Committees held *in camera* meetings where only the independent Trustees were present during all of their meetings (which included the review of financial statements for the Board and Audit Committee) except for (i) the meetings to review the Annual Information Form and this Proxy; and (ii) the Responsible Care Committee meeting held at the Tulsa, OK site.

Independence of Audit Committee

The roles and responsibilities of the Fund’s Audit Committee (available at www.chemtradelogistics.com), which is comprised only of independent Trustees, are specifically defined and set forth in its Charter. Audit Committee members have direct communications channels to internal management and external auditors to discuss and review specific issues as appropriate. Among the Audit Committee’s duties are to ensure that management has put in place an effective system of internal control, and to provide oversight for management’s reporting on such internal controls. The external auditors of the Fund are invited to attend all meetings of the Audit Committee at which interim and annual financial statements are reviewed, and Audit Committee members are afforded the opportunity to communicate with the external auditors without the presence of management and did so at each quarterly Audit Committee meeting during 2015. In addition, the Audit Committee has put in place a “whistle-blower” system (“**Compliance Line**”) to provide employees with direct and confidential access to the Audit Committee.

The Audit Committee considers that it has always complied with the spirit of the new requirement for increased audit committee oversight of auditors (National Instrument 52-108 – Auditor Oversight) via its *in camera* sessions with the auditor and through quarterly meetings between the Chair of the Audit Committee and the audit partner. However, beginning in 2015 the Audit Committee has also implemented a more detailed annual review process of the auditors, including an annual questionnaire and input from management in order to formally address the new rules.

Nominations of Trustees

The Compensation and Corporate Governance Committee, which is composed entirely of independent Trustees, is responsible for the recruitment and recommendation of new candidates for appointment or

election to the Board. In considering this issue, the Compensation and Corporate Governance Committee factors in the appropriate size of the Board. From 2004 until August 2012, the Board was restricted to four members in order to facilitate effective decision making. However, the acquisition of Marsulex in 2011 and General Chemical Corporation in 2014 increased the complexity of the business, and the Compensation and Corporate Governance Committee determined to bring additional in-depth chemical industry experience to the Board. Three additional members were added from 2012 through 2015, bringing total membership to seven Trustees. The Compensation and Corporate Governance Committee invites suggestions for potential candidates from the existing Board members and management and used an external search firm to identify appropriate candidates when searching for its seventh Trustee. The CEO participates in the selection process.

When considering a potential candidate, the Compensation and Corporate Governance Committee considers the qualities and skills that the Board, as a whole, should have. The Compensation and Corporate Governance Committee assesses the competencies and skills of the current members of the Board and it maintains a matrix of competencies of the current Trustees in order to assist in this assessment. The following table, which does not include Katherine Rethy who was appointed as a Trustee of the Fund by the Board in 2015, outlines the matrix of skills and competencies of each Trustee.

		Lorie Waisberg	David Colcleugh	Mark Davis	Lucio Di Clemente	David Gee	Susan McArthur
Years on Board	0 to 5			X			X
	5 to 10				X		
	11+	X	X			X	
Age	59 or less			X	X		X
	60 to 69					X	
	70 +	X	X				
Gender	Male	X	X	X	X	X	
	Female						X
Skills Ranking of 1 (low) to 5 (high)	Chemical Industry Experience	1	5	5	2	5	1
	Manufacturing Experience	3	5	4	3	5	2
	Executive Leadership Experience	4	5	5	5	5	3
	Financial/Accounting Experience/Knowledge	4	3	4	4	4	5
	EH&S Experience/Knowledge	3	5	4	2	5	3
	HR/Compensation Experience/Knowledge	4	4	3	4	4	4
	Corporate Governance Knowledge	5	5	4	5	4	5
	Risk Management Experience/Knowledge	3	4	4	3	4	5
	Legal/Government/Regulatory Affairs Knowledge	5	4	3	2	3	3
Competencies Ranking of 1 (low) to 5 (high)	Independent Thinking Skills	5	5	5	4	4	5
	Process Orientation in Decision Making	4	5	3	4	5	5
	Open-Minded/Information Seeking Skills	5	4	4	4	4	5
	Conflict Resolution	5	4	3	5	3	4
	Communication & Listening Skills	4	4	4	4	4	5

Based on the talent already represented on the Board, the Compensation and Corporate Governance Committee then identifies the specific skills, personal qualities or experiences that a candidate should

possess in light of the opportunities and risks facing Chemtrade. Potential candidates are screened to ensure that they possess the requisite qualities, including chemical industry and manufacturing experience, experience or knowledge of accounting, EH&S, human resources and risk management, independent thinking skills, process orientation in decision making and open-mindedness.

The Compensation and Corporate Governance Committee strives to have a diverse Board, and believes that “diversity of thought” is a more important outcome to focus on than a particular individual characteristic. As a result, the Compensation and Corporate Governance Committee does take into account such factors as gender, age, cultural background and other personal characteristics, as well as the experience, knowledge, skills and character of an individual, when considering trustee candidates, as a combination of all of these factors will culminate in that individual’s viewpoint and what value he or she can contribute to the Board and to Chemtrade. In addition, the Compensation and Corporate Governance Committee considers the existing commitments of a potential candidate to ensure that such candidate will be able to fulfill his or her obligations as a Board member.

Say on Pay/Investor Engagement

The Board and the Compensation and Corporate Governance Committee has discussed on several occasions the advantages and disadvantages of adopting a Say on Pay policy (i.e. allowing Unitholders a non-binding or advisory vote on the NEOs’ compensation). The Trustees view the task of setting executive compensation as a task assigned to them in accordance with good corporate governance practices, whereby shareholders elect board members to oversee management, and shareholders may elect different board members should the existing members be found lacking in the fulfilment of their duties. Setting executive compensation involves a delicate weighing of both quantitative and qualitative factors, an astute evaluation of a complicated set of data, and an intimate knowledge of the individuals’ performance and the operations and strategy of the business. In the opinion of the Trustees, they as Board members are better placed to gain this knowledge and to make these nuanced decisions than are Unitholders, who in a Say on Pay vote, are restricted to a single, binary, “yes/no” vote. In contrast to the individualized assessment that a board may carry out in evaluating executive compensation, studies show (see Allaire, Yvan and Dauphin, François (2015). “Is Say on Pay (SOP) a Useful Initiative?”. *Institute for Governance of Private and Public Organizations*) that the adoption of Say on Pay votes results in standardization of compensation and an altered mix of compensation (decreased salary and golden parachutes but increased stock-based compensation and pension plans for CEO’s) with net total compensation higher than for companies without a Say on Pay vote.

Having said that, one of the beneficial aspects of a Say on Pay vote is greater shareholder engagement with the board. The Trustees encourage investors in Chemtrade Units or debentures to engage in a dialogue with the Chair and to that end, the Board has adopted an Investor Engagement Policy which is available at www.chemtradelogistics.com. This policy sets out the various means for investors to get in touch with the Chair or CEO and reminds them that a Compliance Line is also available in case of wrongdoing or other concerns more appropriately addressed anonymously.

While the Board feels that an open dialogue with investors regarding all topics is preferable to holding a Say on Pay vote narrowly focused on executive compensation, the Board is interested in hearing the views of Unitholders on this issue. Accordingly, the Board intends to, at the 2017 Annual General Meeting, allow Unitholders an advisory vote on whether Unitholders wish to implement a Say on Pay vote.

Diversity

The Fund has not adopted a written policy relating to “diversity”, whether with respect to the identification and nomination of women as trustees or as executive officers. As at March 3, 2016, there were two female Trustees of the Fund, representing 29% of the Board, and no female executive officers, representing 0% of executive officers (Senior Leadership Team); however, there is one female members of the Leadership Team, representing 14% of the Leadership Team. The Fund has not set specific gender representation targets for Trustees as the Compensation and Corporate Governance Committee instead considers the factors noted above (see “Nominations of Trustees”). Similarly, the Fund has not set specific gender representation targets for executive officers. The evaluation of potential candidates as trustees and executives is based upon merit, diversity of thought and experience.

Majority Voting Policy

In February, 2013, the Board approved a majority voting policy. Pursuant to this policy, any Trustee who in an uncontested election has a majority of “withheld” votes shall submit his or her resignation for consideration promptly. The Board shall consider whether or not to accept such resignation and shall issue a news release within 90 days of the election meeting disclosing its determination.

Trustee Orientation and Continuing Education

The Fund’s orientation program for new Trustees upon their election or appointment to the Board consists of a new Trustee receiving a detailed briefing on the company and its business by the CEO, CFO and other members of senior management, including a discussion of the organization’s key products and operations. As well, a new Trustee tours the head office and, separately and in conjunction with Responsible Care Committee meetings, tours various manufacturing facilities. The Chair of the Board and each of the chairs of the Committees meet with a new Trustee to review the functioning of the boards and committees and expectations of a trustee. In addition, new Trustees are provided a written copy of the Mandate of the Board of Trustees and Committee Charters, which set out their responsibilities, as well as historical documentation and materials from previous Board of Trustees and Committee meetings.

Since May 2012, the Trustees have an education annual budget of \$2,500 to spend on continuing education. In addition, the Trustees are regularly briefed on strategic issues facing the organization, including assessments of Chemtrade’s competitive environment, its performance relative to its peers and other developments that could materially affect its business. The briefings are conducted by the CEO, CFO and other members of senior management, as well as external advisors to the organization. Three Board members (Messrs. Di Clemente and Waisberg and Ms. McArthur) have completed the ICD.D professional corporate director course and two hold the ICD.D designation as a professional corporate director.

Since 2008, the Responsible Care Committee conducts certain of its meetings at the sites of Chemtrade’s operating facilities. The Trustees consider the opportunity to tour the manufacturing facilities and to meet with the site management and employees to be very beneficial to their understanding of the operations and issues facing the organization.

Position Descriptions

Position descriptions have been developed for the Chair of the Board and for the CEO, which set out the respective duties and responsibilities of each role. A copy of these positions descriptions can be found at www.chemtradelogistics.com. These position descriptions are reviewed by the Compensation and Corporate Governance Committee on an annual basis, with the last such review having been conducted in

February 2016. The goals and objectives of the CEO are reviewed annually by both the Compensation and Corporate Governance Committee and the Board of Trustees against the CEO position description. The performance and effectiveness of the Board as a whole and of the Chair, as against his position description, are evaluated annually by the Trustees.

Position descriptions have not been developed for the chairs of each of the Committees. The chair of the Audit Committee is responsible for the effective functioning of the Audit Committee and acts in an advisory capacity to the Chief Financial Officer concerning matters with which the Audit Committee is concerned. The chairs of the Compensation and Corporate Governance Committee and the Responsible Care Committee are similarly responsible for the effective functioning of their respective committees and for providing advice to the appropriate member of management. Specifically, in fulfilling his or her responsibility, the chair of these Committees will: (i) in consultation with the appropriate member of senior management, plan and organize the activities of the Committee including the quality, quantity and timeliness of the information provided to the Committee members; (ii) preside over Committee meetings and conduct the meetings in an efficient, effective and focussed manner; and (iii) facilitate a candid and full discussion of all key matters that come before the Committee and ensure that the Committee has adequate resources to support its decision-making.

Trustee Assessment

The Trustees have established a process for assessing the performance of the Trustees, the Board and each Committee. The Compensation and Corporate Governance Committee is charged with overseeing the process on an annual basis and the topics to be covered are set out in the Compensation and Corporate Governance Committee Charter. The topics include, among others: (i) the effectiveness of the Board as a whole and of each Committee; (ii) the standards to be applied in making determinations as to the presence or absence of material relationships between a Trustee and Chemtrade and the compliance with such standards; (iii) the competencies, skills and personal qualities required of Trustees in order to add value to the organization, in light of the opportunities and risks facing Chemtrade and its proposed strategy; (iv) the competencies, skills and personal qualities of the existing Trustees and the contributions made by them to the effective operation of the Board, having regard to the position descriptions for the Chair, the results of annual Trustee surveys, Board and committee meeting attendance and overall contribution; and (v) the Fund's approach to governance issues.

Trustees, as well as certain members of management, participate in an annual, written, non-attributable evaluation. The results of the evaluation are analysed and reviewed by members of the Compensation and Corporate Governance Committee and the Board, who consider whether any changes to the Board's processes, composition or committee structure are appropriate. Additionally, senior management is advised of any suggestions made by the trustees for enhancement of processes to support the work of the Board. The assessment process was last reported on in August 2015.

The Board also undertook a 360 Degree Evaluation process in which each Trustee evaluated each other Trustee, as well as himself/herself, on various criteria, which was reported on in February 2015. The criteria included among others, a Trustee's contribution to Board meetings, ability to question management, accountability, and understanding of Chemtrade's strategy and vision. The results of the evaluation were shared, on an anonymous basis, with the Chair of the Board, to assist in determining whether each member was contributing at a high level or whether a change in membership was appropriate.

Going forward, the intention is to assess the individual Trustees and Board on an annual basis by a combination of a self-assessment questionnaire, the topics of which will then be discussed individually

between the Chair and each Trustee as well as in a group, a 360 Degree Evaluation and an update of the Board Skills Matrix, and to use the feedback each time to improve the process further.

Renewal of Board

The Fund has not adopted term limits for the Trustees on the Board. The Board considers that in light of the complexity of Chemtrade's business, the benefits of having longer-serving Board members far outweighs any advantages that may accompany a regular influx of new Board members. Furthermore, the risk of an individual Trustee underperforming is dealt with using a rigorous Board assessment process, together with strong leadership from the Chair.

Adequacy and Form of Trustee Compensation

The Compensation and Corporate Governance Committee periodically retains a professional compensation consultant to assist in the assessment of the adequacy and form of Trustee compensation to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective Trustee. Towers Watson was last engaged for this purpose in February 2015. As a result, the Compensation and Corporate Governance Committee chose to increase the Trustees' annual compensation from \$100,000 to \$125,000 annually, with the Board Chair increased to \$150,000.

Approach to Corporate Governance

The Compensation and Corporate Governance Committee develops the Fund's approach to corporate governance issues, including the Fund's response to and incorporation of NI 58-101 and NP 58-201. The Fund is committed to reviewing and adapting its governance system from time to time to be satisfied that it meets its changing needs and responds to the evolution of the applicable regulatory framework. It is also the responsibility of the Compensation and Corporate Governance Committee of the Fund to review the overall governance principles of the Fund, recommending any changes to these principles and monitoring their disclosure. The Fund is committed to continuing to demonstrate high standards of corporate governance.

Engagement of Outside Advisors

Each of the Audit Committee, Compensation and Corporate Governance Committee, and Responsible Care Committee may engage an outside advisor, at the expense of the Fund, as may be necessary and appropriate under the circumstances to ensure effective governance.

Ethical Business Conduct

As part of the Fund's commitment to effective corporate governance, the Fund continues to communicate to all employees, Trustees and stakeholders a formal Code of Business Principles and Conduct (the "Code") requiring every employee, Trustee and director of the organization to observe high business and personal standards as they carry out their duties and responsibilities. The Code was updated and amended by the Board in August 2015. The Code sets forth guidelines, policies and procedures which comprise the core values and principles applicable to all employees of the organization, and address ethical conduct, conflicts of interest and compliance with the law.

The Code is administered by senior management of the Fund. The CEO oversees and monitors the Code, under the supervision of the Board of Trustees. The CEO also has the responsibility of reviewing the Code and changes in laws applicable to the Fund and recommending changes in the Code to the Compensation and Corporate Governance Committee.

In addition, the Board monitors a Compliance Line which provides all employees, officers, directors and Trustees of the Fund and other stakeholders with an avenue for anonymously raising an issue or concern by sending an email to the Audit Committee or by calling a toll-free number. The Compliance Line is administered by an independent company to provide additional anonymity and to encourage and promote a culture of ethical business conduct.

The Code requires employees to report any violations of the Code either to Senior Management or via the Compliance Line. Senior Management (or the Audit Committee Chair, if he determines that it is not appropriate to delegate to Senior Management) investigates any alleged breaches of the Code and reports the results of the investigation to the Board immediately, if warranted, or at the next scheduled Board meeting. The Audit Committee is notified of any alleged violations of the Code relating to accounting, internal controls or auditing matters. The Compensation and Corporate Governance Committee, in consultation with the Board, reviews the process for administering the Code periodically, with the last such review occurring in August 2015. The Audit Committee also reviews annually the Compliance Line procedures, with the last such review occurring in November 2015.

A copy of the Code is available upon request from the Corporate Secretary of the Fund or on the Fund's website (www.chemtradelogistics.com).

Disclosure Policy and Disclosure Committee and Charter

The Fund maintains a Disclosure Policy to ensure that timely, accurate and balanced disclosure of all material information regarding the Fund is provided to the public in accordance with applicable legal and regulatory requirements, and has also and created a Disclosure Committee Charter to govern the actions of the Disclosure Committee. The Disclosure Committee consists of four members of management who meet prior to the public disclosure of the interim and annual financial statements, as well as prior to the public disclosure of any material information. The Disclosure Committee has developed a system of internal controls to ensure that its members are apprised of significant litigation, operational and financial matters.

OTHER BUSINESS

Management is not aware of any matter intended to come before the Meeting other than those items of business set forth in the attached Notice. If any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy to vote in respect of those matters in accordance with their best judgement on such matter or business.

ADDITIONAL INFORMATION

The Fund's Units are listed on the Toronto Stock Exchange with the trading symbol: CHE.UN.

Additional information relating to the Fund, including material contracts, the Fund's Consolidated Annual Financial Statements for the year ended December 31, 2015, the Fund's Management Discussion & Analysis for the year ended December 31, 2015 and the Fund's 2015 Annual Information Form, is available on SEDAR at www.sedar.com and upon request, the Fund will promptly provide a copy free of charge to Unitholders.

Additional information relating to the Fund's Audit Committee is provided in Section X and Appendix A of the Fund's 2015 Annual Information Form.

Financial information is provided in the Fund's comparative annual financial statements and management's discussion and analysis for 2015.

The Fund's primary medium for communicating with Unitholders and other interested parties is its website – www.chemtradelogistics.com which is updated regularly with financial reports and other important information.

Copies of the Fund's comparative financial statements for 2015 together with the report of the auditors thereon, management's discussion and analysis of the Fund's financial condition and results of operations for 2015, the interim financial statements of the Fund for periods subsequent to the end of the Fund's last fiscal year, the current annual information form (together with any document or the pertinent pages of any document incorporated therein by reference) of the Fund and this Information Circular are available upon request from the Corporate Secretary of the Fund.

APPROVAL OF TRUSTEES

The contents and the sending of this Information Circular to the Unitholders of the Fund have been approved by the Board of Trustees of Chemtrade Logistics Income Fund.

By Order of the Board of Trustees

Toronto, Ontario
March 3, 2016

“Susan M. Paré”

Susan M. Paré
Corporate Secretary

Appendix A

CHEMTRADE LOGISTICS INCOME FUND

**AMENDED AND RESTATED
DECLARATION OF TRUST**

May ~~27, 2004~~ 12, 2016

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CHEMTRADE LOGISTICS INCOME FUND

THIS AMENDED AND RESTATED DECLARATION OF TRUST is made the ~~27~~¹²th day of May, ~~2004~~²⁰¹⁶ by David Colcleugh, resident in the Province of Ontario, ~~Louis Hollander~~^{Mark Davis}, resident in the Province of Ontario, ~~Jim Leech~~^{Lucio Di Clemente}, resident in the Province of Ontario, David Gee, resident in the Province of Ontario, Susan McArthur, resident in the Province of Ontario, Katherine Rethy, resident in the Province of Ontario, and Lorie Waisberg, resident in the Province of Ontario, all of whom are the current trustees of the ~~trust constituted by this Declaration of~~ Trust, and each ~~P~~^person who after the date hereof becomes a ~~trustee of the trust~~^{Trustee} as herein provided ~~(each Person, while a trustee of the trust as herein provided, hereinafter called a "Trustee")~~, and replaces and amends and restates the Amended and Restated Declaration of Trust made ~~July 11, 2001~~^{May 27, 2004 (the "2004 Declaration")} as amended by supplemental indentures dated ~~December 20, 2002 and April 15, 2003~~^{August 2, 2005 and March 6, 2012 (the "2004 Supplemental Indentures")}.

WHEREAS by the Amended and Restated Declaration of Trust made July 11, 2001 (the "2001 Declaration") made between the ~~Trustees (other than David Coleleugh who was subsequently appointed) (the "Initial Trustees")~~ and ~~Chemtrade Logistics Inc. (the "Initial Unitholder")~~^{the Company}, the ~~Initial Unitholder~~^{Company} created a trust for investment purposes, including investing in securities and notes of ~~Chemtrade Logistics Inc.~~^{the Company};

AND WHEREAS for the purpose of settling the ~~trust created hereunder~~^{Trust}, the ~~Initial Unitholder~~^{Company} has paid to the Initial Trustees ~~an amount of \$10.00 in lawful money of Canada (the "the Initial Contribution")~~ and the ~~Initial Unitholder~~^{Company} was issued one Trust Unit which Trust Unit has been cancelled;

AND WHEREAS the Trustees have agreed to hold the Initial Contribution and all amounts and assets subsequently received under this Declaration of Trust or in respect of the investment of the assets of the Trust in accordance with the provisions hereinafter set forth ~~(the "Trust")~~;

AND WHEREAS it is intended that the beneficiaries of the Trust shall be the holders of Trust Units, each of which shall rank equally in all respects with every other Trust Unit;

AND WHEREAS it is intended that the Trust shall qualify as a "mutual fund trust" pursuant to subsection 132(6) of the ~~Income~~-Tax Act ~~(Canada)~~;

AND WHEREAS the 2001 Declaration has been amended by supplemental indentures dated December 20, 2002 and August 15, 2003 (the "2001 Supplemental Indentures");

AND WHEREAS ~~this Amended and Restated~~the 2004 Declaration replaced, amended and restated the 2001 Declaration as amended by the 2001 Supplemental Indentures;

AND WHEREAS this Declaration of Trust replaces, amends and restates the ~~2001~~2004 Declaration as amended by the 2004 Supplemental Indentures ~~and as amended and restated hereby;~~

AND WHEREAS the Trustees have all necessary authority to execute this ~~Amended and Restated~~ Declaration of Trust.

NOW THEREFORE the Trustees do hereby declare that they will continue to act as trustees of all sums or property of any type or description, any accretions thereto and any additions thereto from time to time, all of which constitute the trust fund, to be held and managed and dealt with by the Trustees in trust for the benefit of the Trust Unitholders upon and subject to the express terms, conditions and trusts as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Declaration of Trust including the recitals hereto, unless the context otherwise requires, the following terms shall have the following meanings:

- (a) **“Affiliate”** has, with respect to the relationship between two or more companies, the meaning given to it in the *Securities Act* (Ontario) as amended from time to time and, with respect to the relationship between two or more Persons any of whom are not companies, a Person shall be deemed to be an affiliate of another Person if one of them is controlled by the other or both are controlled by the same Person, and for this purpose, control means the right, directly or indirectly, to direct or cause a direction of the management of the affairs of a Person, whether by ownership of securities, by contract or otherwise;
- (b) **“Associate”** shall have the meaning given to such term (without an initial capital letter) in the *Securities Act* (Ontario), as constituted on the date hereof;
- (c) **“Auditors”** means the firm of chartered accountants appointed as the auditors of the Trust from time to time in accordance with the provisions hereof and, as of the date hereof, means KPMG LLP, Chartered Accountants;
- (d) **“Book-Entry System”** means the record-entry securities transfer and pledge system known, as of the date hereof, by such name, which is administered by CDS in accordance with the operating rules and procedures of the Securities Settlement Service of CDS in force from time to time, or any successor system which CDS may offer from time to time;

- (e) **“Business Day”** means a day which is not a Saturday, Sunday, bank holiday or holiday in the City of Toronto, Ontario;
- (f) **“Cash Flow of the Trust”** has the meaning specified in subsection 5.1(a);
- (g) **“CDS”** means The Canadian Depository for Securities Limited and its successors;
- (h) **“CDS Participant”** means a broker, dealer, bank, other financial institution or other Person who, directly or indirectly, from time to time, effects book-based transfers with CDS and pledges of securities deposited with CDS;
- (i) **“Chemtrade”** means all or any of the Company, ~~Performance Inc., Chemtrade Pulp Chemicals Trust~~ and any Affiliate of the Company, ~~Performance Inc. or Chemtrade Pulp Chemicals or the~~ Trust, whether now or hereafter existing (other than the Trust or any General Partner) which is ~~directly~~ wholly-owned, directly or indirectly, by the Trust;
- (j) **“Chemtrade Common Shares”** means the common shares or other fully participating equity securities of Chemtrade which are now or hereafter held directly by the Trust; provided that, for the purposes of Section 6.5, in the case of Chemtrade Common Shares which are units of a trust “Chemtrade Common Shares” means the securities of such trust which are issued to the Trust on the redemption of such trust units;
- (k) **“Chemtrade Note Indenture”** means any agreement entered, or to be entered, into between the Company and a trust company pursuant to which Chemtrade Notes are or will be issued;
- (l) **“Chemtrade Notes”** means the unsecured subordinated notes of Chemtrade which are now or hereafter held directly by the Trust; provided that, for the purposes of Section 6.5, in the case of Chemtrade Notes which are demand unsecured subordinated notes of a trust, “Chemtrade Notes” means the term unsecured subordinated notes of such trust which are issued to the Trust on the redemption of such demand unsecured subordinated notes;
- (m) **“Company”** means Chemtrade Logistics Inc.;
- (n) **“Complainant”** means any Trust Unitholder or beneficial owner of Trust Units, or former Trust Unitholder or beneficial owner of Trust Units, or any securityholder, Trustee or officer or any other Person who in the discretion of the court is a proper Person to make an application under the applicable Section in Article 14;

- (o) ~~(n)~~ **“Counsel”** means a barrister or solicitor or firm of barristers and solicitors or other lawyers in an appropriate jurisdiction retained by the Trust;
- (p) **“court”** means the Superior Court of Justice in the Province of Ontario;
- (q) **“Declaration of Trust”, “hereto”, “herein”, “hereof”, “hereby”, “hereunder”** and similar expressions refer to this instrument and not to any particular Article, Section or portion hereof, and include any and every instrument supplemental or ancillary hereto;
- (r) ~~(o)~~ **“Depository”** has the meaning specified in subsection 13.1(a);
- (s) ~~(p)~~ **“Distributable Cash Flow”** has the meaning specified in subsection 5.1(b);
- (t) ~~(q)~~ **“Distribution Payment Dates”** in respect of a Distribution Period means on or about, but no later than, the last day of the month immediately following the end of the Distribution Period or, if such day is not a Business Day, the next following Business Day or such other date determined from time to time by the Trustees;
- (u) ~~(r)~~ **“Distribution Period”** means each calendar month in each calendar year from and including the first day thereof and to and including the last day thereof;
- (v) ~~(s)~~ **“Distribution Record Date”** means the last Business Day of each Distribution Period;
- (w) ~~(t)~~ **“General Partner”** means a general partner of a limited partnership which owns not more than a nominal equity interest in such partnership; and in such circumstances, for the purposes of this ~~Amended and Restated~~ Declaration of Trust, such limited partnership shall be considered to be “wholly-owned” by its limited partner or partners;
- (x) ~~(u)~~ **“Global Trust Unit Certificate”** has the meaning specified in subsection 13.1(a);
- (y) **“Going-Private Transaction”** means an arrangement, consolidation or other transaction involving the Trust, other than an acquisition pursuant to Section 13.12, that results in the interest of a holder of Participating Securities of the Trust being terminated without the consent of the holder and without the substitution of an interest of equivalent value in Participating Securities of the Trust or of a Person that succeeds to the business of the Trust, which Participating Securities have rights and privileges that are equal to or greater than the affected Participating Securities;

- (z) ~~(v)~~ **“Income of the Trust”** has the meaning specified in subsection 5.2(a);
- (aa) ~~(w)~~ **“Initial Contribution”** means the amount of \$10.00 paid by the ~~Initial Unitholder~~ Company to the Trustees on July 11, 2001 for the purpose of settling the trust constituted by the Trust;
- (bb) ~~(x)~~ **“Initial Trustees”** means those Persons named as the first trustees of the Trust in the 2001 Declaration;
- (cc) ~~(y)~~ **“Issue Expenses”** means amounts payable by the Trust in respect of any Offering;
- (dd) ~~(z)~~ **“Net Realized Capital Gains”** has the meaning specified in subsection 5.2(b);
- (ee) **“Nominating Unitholder”** has the meaning specified in subsection 8.3(a);
- (ff) **“Notice Date”** has the meaning specified in subsection 8.3(c);
- (gg) ~~(aa)~~ **“Offering”** means any offering by the Trust of securities of the Trust, including Trust Units whether pursuant to a prospectus or otherwise;
- (hh) ~~(bb)~~ **“Performance Inc.”** means ~~Chemtrade Performance Chemicals Canada Inc.~~; Participating Securities means securities that give the holder of the securities a right to share in the earnings of the Person that issued the securities and after the liquidation, dissolution, or winding up of the Person that issued the securities or, in the case of the Trust, upon the termination of the Trust, a right to share in its assets. For greater certainty, Participating Securities includes the Trust Units;
- ~~(cc)~~ **“Performance LLC”** means ~~Chemtrade Performance Chemicals U.S. LLC~~;
- (ii) ~~(dd)~~ **“Person”** includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural Person in his or her capacity as trustee, executor, administrator or other legal representative;
- (jj) **“Proposal”** has the meaning specified in Section 12.10(a);
- (kk) ~~(ee)~~ **“Pro Rata Number”** in respect of Chemtrade Common Shares and Chemtrade Notes (in the principal amount of \$100) means the proportion of the aggregate number of all of the Chemtrade Common Shares and Chemtrade Notes (in the principal amount of \$100) that is determined by the following formula:

$$\frac{A \times B}{(C \times B) + D}$$

where:

A = the number of Trust Units tendered for redemption;

B = the Redemption Price per Trust Unit specified in Section 6.3;

C = the total number of Trust Units outstanding (calculated on a non-diluted basis) on the date on which the Trust Units were tendered for redemption; and

D = the aggregate amount of any indebtedness or accrued liabilities owed by the ~~Fund~~Trust on the date on which the Trust Units were tendered for redemption, provided that, in the case of any debt obligation that is convertible into, or exchangeable for, Trust Units or other securities of the Trust, the amount of such debt obligation shall be the greater of (i) the principal amount of the debt obligation on the date on which the Trust Units were tendered for redemption, and (ii) the fair market value, on the date on which the Trust Units were tendered for redemption, of a security of the Trust of the kind into which the debt obligation is convertible or for which the debt obligation is exchangeable, as the case may be, provided that, where such security is a Trust Unit, the fair market value of such Trust Unit shall be the Redemption Price per Trust Unit specified in Section 6.3;

- (ll) ~~(ff)~~ **“Redemption Price”** has the meaning specified in subsection 6.3(a);
- (mm) ~~(gg)~~ **“SIFT Taxes”** means taxes payable under paragraph 122(1)(b) of the Tax Act;
- (nn) ~~(hh)~~ **“Special Resolution”** shall have the meaning specified in Section 12.6;
- (oo) ~~(ii)~~ **“Subordination Agreement”** has the meaning specified in subsection 2.6(d);
- (pp) ~~(jj)~~ **“Tax Act”** means the *Income Tax Act*, R.S.C. 1985 (5th Supp.) c. 1, as amended from time to time, and the regulations thereunder;
- ~~(kk) **“this Declaration of Trust”, “this Declaration”, “hereto”, “herein”, “hereof”, “hereby”, “hereunder”** and similar expressions refer to this instrument and not to any particular Article, Section or portion hereof, and include any and every instrument supplemental or ancillary hereto;~~
- (qq) ~~(H)~~ **“Transfer Agent”** means such company as may from time to time be appointed by the Trust to act as registrar and transfer agent of the Trust Units, together with any sub-transfer agent duly appointed by the Transfer Agent;
- (rr) ~~(mm)~~ **“Trust”** means the trust constituted by this Declaration of Trust;

(ss) ~~(nn)~~ “**Trust Assets**”, at any time, means such of the following monies, properties and other assets as are at such time held by the Trust or by the Trustees on behalf of the Trust:

- (i) the Initial Contribution;
- (ii) all funds or property derived from the issuance or sale of Trust Units and other securities of the Trust, and other cash received by the Trust;
- (iii) the Chemtrade Common Shares and the Chemtrade Notes;
- (iv) any proceeds of disposition of any of the foregoing property; and
- (v) all income, interest, profit, return of capital, gains and accretions and all substituted assets, rights and benefits of any kind or nature whatsoever arising directly or indirectly from or in connection with or accruing to such foregoing property or such proceeds of disposition;

(tt) ~~(oo)~~ “**Trust Liabilities**” has the meaning specified in subsection 2.6(a);

(uu) ~~(pp)~~ “**Trust Unit Certificate**” means a certificate, in the form approved by the Trustees, evidencing one or more Trust Units, issued and certified in accordance with the provisions hereof;

(vv) ~~(qq)~~ “**Trust Unitholders**” means at any time the holders at that time of one or more Trust Units, as shown on the register of such holders maintained by the Transfer Agent on behalf of the Trust;

(ww) ~~(rr)~~ “**Trust Units**” means the trust units of the Trust authorized and issued hereunder as such and for the time being outstanding and entitled to the benefits hereof;

(xx) ~~(ss)~~ “**Trustee**”, at any time, means an individual who is, in accordance with the provisions hereof, a trustee of the Trust at that time and “**Trustees**” means, at any time, all of the individuals, each of whom is at that time a trustee; and

(yy) ~~(tt)~~ “**U.S. Unitholder**” means any Trust Unitholder that is a United States person as defined in Section 7701(a)(30) of the *Internal Revenue Code* including: (i) a citizen or resident of the United States; (ii) a partnership, or other entity taxable as a partnership, created or organized in the United States or under the law of the United States or any State; (iii) a corporation, or other entity taxable as a corporation, created or organized in the United States or under the law of the United States or any State; (iv) an estate (other than a foreign estate as defined in Section 7701(a)(31) of the *Internal Revenue Code*); or (v) a trust, if a court within

the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust.

1.2 References to Acts Performed by the Trust

For greater certainty, where any reference is made in this Declaration of Trust to an act to be performed by the Trust, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by the Trustees on behalf of the Trust or by some other Person duly authorized to do so by the Trustees or pursuant to the provisions hereof.

1.3 Tax Act

Any reference herein to a particular provision of the Tax Act shall include a reference to that provision as it may be renumbered or amended from time to time. Where there are proposals for amendments to the Tax Act which have not been enacted into law or proclaimed into force on or before the date on which such proposals are to become effective, the Trustees may take such proposals into consideration and apply the provisions hereof as if such proposals had been enacted into law and proclaimed into force.

1.4 Gender

In this Declaration of Trust, unless herein otherwise expressly provided or unless the context otherwise requires, words importing the singular number include the plural, and vice versa; and words importing a gender shall include the feminine, masculine and neuter genders.

1.5 Headings for Reference Only

The division of this Declaration of Trust into Articles and Sections, the provision of a Table of Contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Declaration of Trust.

1.6 Day Not a Business Day

In the event that any day on which any amount is to be determined or any action is required to be taken hereunder is not a Business Day, then such amount shall be determined or such action shall be required to be taken at or before the requisite time on the next succeeding day that is a Business Day. This section is not applicable to Sections 5.1, 5.2, 5.3 and 5.4.

1.7 Time of the Essence

Time shall be of the essence in this Declaration of Trust.

1.8 Governing Law

This Declaration of Trust and the Trust Unit Certificates shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as Ontario contracts. The parties hereto hereby irrevocably submit and attorn to the jurisdiction of the courts of the Province of Ontario.

1.9 Applications to Court

As the rights and remedies set out in this Declaration of Trust are not statute-based, the Trustees, the Trust and the Trust Unitholders acknowledge that references in this Declaration of Trust to Trust Unitholder rights that may be enforced by a court or to remedies that may be granted by a court are subject to the court, in its discretion, accepting jurisdiction to consider and determine any proceeding commenced by a Trust Unitholder applying to the court pursuant to this Declaration of Trust.

ARTICLE 2 TRUST

2.1 Trust

The Trustees hold and shall continue to hold the Trust Assets in trust for the use and benefit of the Trust Unitholders, their successors, permitted assigns and personal representatives, and subject to the terms and conditions hereinafter declared and set forth, such trust constituting the Trust hereunder.

2.2 Name of Trust

- (a) The Trust shall be known and designated as the “CHEMTRADE LOGISTICS INCOME FUND” and, whenever practicable, lawful and convenient, the property of the Trust shall be held and the affairs of the Trust shall be conducted and transacted under that name.
- (b) If the Trustees determine that the use of such name is not practicable, legal or convenient, the Trust may use such other designation or may adopt such other name as the Trustees deem appropriate, and the Trust may hold property and conduct and transact its affairs under such other designation or name.

2.3 Head Office

The head office of the Trust shall be located at ~~441~~155 Gordon Baker Road, Suite ~~301, North York~~300, Toronto, Ontario, M2H 3R1N5 or such other place or places in Canada as the Trustees may from time to time designate.

2.4 Nature of the Trust

The Trust is a limited purpose trust, established for the purposes specified in Section 4.1. The Trust is not, shall not be deemed to be and shall not be treated as, a general partnership, limited partnership, syndicate, association, joint venture, company, corporation or joint stock company nor shall the Trustees or any individual Trustee or the Trust Unitholders or any of them or any Person be, or be deemed to be, treated in any way whatsoever as liable or responsible hereunder as partners or joint venturers. The Trustees are not and shall not be, or be deemed to be, agents of the Trust Unitholders. The relationship of the Trust Unitholders to the Trustees shall be solely that of beneficiaries of the Trust and their rights shall be limited to those conferred upon them by this Declaration of Trust.

2.5 Rights of Trust Unitholders

The rights of each Trust Unitholder to call for a distribution or division of assets, monies, funds, income and capital gains held, received or realized by the Trustees are limited to those contained herein and, except as provided herein, no Trust Unitholder shall be entitled to call for any partition or division of the Trust Assets or for a distribution of any particular asset forming part of the Trust Assets or of any particular monies or funds received by the Trustees. The legal ownership of the assets of the Trust and the right to conduct the activities of the Trust are vested exclusively in the Trustees, and no Trust Unitholder has or is deemed to have any right of ownership in any of the assets of the Trust, except as specifically provided herein. Except as specifically provided herein, no Trust Unitholder or Trust Unitholders shall be entitled to interfere with or give any direction to the Trustees with respect to the affairs of the Trust or in connection with the exercise of any powers or authorities conferred upon the Trustees under this Declaration of Trust. The Trust Units shall be personal property and shall confer upon the holders thereof only the interest and rights specifically set forth in this Declaration of Trust.

2.6 Liability of Trust Unitholders

- (a) Subject to Section 5.8, no Trust Unitholder, in its capacity as such, shall incur or be subject to any liability, direct or indirect, absolute or contingent, in contract or in tort or of any other kind to any Person in connection with: (i) the Trust Assets or the ownership, use, operation, acquisition or disposition thereof or exercise or enjoyment of the rights, privileges, conditions or benefits attached thereto, associated therewith or derived therefrom; (ii) the indebtedness, obligations or the activities or affairs of the Trust; (iii) any actual or alleged act or omission of the Trustees or by any other Person in respect of the activities or affairs of the Trust (whether or not authorized by or pursuant to this Declaration of Trust); (iv) any act or omission of the Trustees or any other Person in the performance or exercise, or purported or attempted performance or exercise, of any obligation, power, discretion or authority conferred upon the Trustees or such other Person in respect of the activities or affairs of the Trust (whether or not authorized by or pursuant to this Declaration of Trust); (v) any transaction entered into by the

Trustees or by any other Person in respect of the activities or affairs of the Trust (whether or not authorized by or pursuant to this Declaration of Trust); or (vi) any taxes, levies, imposts or charges or fines, penalties or interest in respect thereof payable by the Trust or by the Trustees or by any other Person on behalf of or in connection with the activities or affairs of the Trust (collectively, “Trust Liabilities”).

- (b) Subject to Section 5.8, no Trust Unitholder in its capacity as a Trust Unitholder shall be liable to indemnify the Trustees or any other Person with respect to any Trust Liabilities.
- (c) ~~To~~Subject to Section 5.8, to the extent that, notwithstanding the provisions of this Section 2.6, any Trust Unitholder, in its capacity as such, may be determined by a judgement of a court of competent jurisdiction to be subject to or liable in respect of any Trust Liabilities, ~~such judgement and any~~ or is required to indemnify the Trustees or any other Person:
 - (i) any such judgment, writ of execution or similar process in respect thereof; ~~shall~~ will be enforceable only against, and ~~shall~~ will be satisfied only out of, the Trust ~~Unitholder's share of the Trust Assets represented by its Trust Unit Certificates.~~Assets; and
 - (ii) in the event that, notwithstanding subsection 2.6(c)(i), the judgment, writ of execution or similar process is enforceable against the Trust Unitholder, or the Trust Unitholder is otherwise held personally liable, the Trust Unitholder will be entitled to indemnity and reimbursement out of the Trust Assets to the full extent of the liability and for all costs of any litigation or other proceedings in which such liability has been determined, including all fees and disbursements of counsel.
- (d) If any Trust Asset should be distributed or declared to be distributable to Trust Unitholders contrary to the provisions of any subordination agreement (each a “Subordination Agreement”) between the Trust and the Persons (other than the Trust) entitled to enforce any of the indebtedness of Chemtrade, or contrary to the terms of any Chemtrade Notes or the subordination provisions of any Chemtrade Note Indenture under which the same are issued, or contrary to the terms of any debt obligation issued by the Trust, then the Persons entitled to enforce such provisions or terms shall be entitled to pursue whatever remedies may be available to them to enforce such provisions or terms and the limitations in subsection 2.6(c) shall not apply to any judgment in respect of (and to the extent only based on) such contrary distribution and no Trust Unitholder shall have the right to enforce any distribution contrary to such provisions or terms.

- (e) The rights accruing to a Trust Unitholder under this Section 2.6 and the limitations of a Trust Unitholder's liability set out herein are in addition to, and do not exclude, any other rights or limitations of liability to which such Trust Unitholder may be lawfully entitled, pursuant to statute, regulation or otherwise, nor does anything herein contained restrict the right of the Trustees to indemnify or reimburse a Trust Unitholder out of the assets of the Trust in any appropriate situation not specially provided herein but, for greater certainty, the Trustees have no liability to reimburse Trust Unitholders for taxes assessed against them by reason of or arising out of their ownership of Trust Units.

ARTICLE 3 ISSUE AND SALE OF TRUST UNITS

3.1 Nature of Trust Units

- (a) The beneficial interests in the Trust shall be divided into interests of one class, described and designated as "Trust Units", which shall be entitled to the rights and subject to the limitations, restrictions and conditions set out herein, and the interest of each Trust Unitholder shall be determined by the number of Trust Units registered in the name of the Trust Unitholder.
- (b) Each Trust Unit represents an equal undivided beneficial interest in any distribution from the Trust (whether of Income of the Trust, Net Realized Capital Gains or other amounts) and in any net assets of the Trust in the event of termination or winding-up of the Trust. All Trust Units shall rank among themselves equally and rateably without discrimination, preference or priority.

3.2 Authorized Number of Trust Units

The aggregate number of Trust Units which is authorized and may be issued hereunder is unlimited.

3.3 Issue of Trust Units

- (a) Trust Units and securities convertible into or exchangeable for, Trust Units, may be issued by the Trust at the times, to the Persons, for the consideration and on the terms and conditions that the Trustees determine and, without limiting the generality of the foregoing, the Trustees may authorize the Trust to pay a reasonable commission to any Person in consideration of such Person purchasing or agreeing to purchase Trust Units or such convertible or exchangeable securities from the Trust or from any other Person or procuring or agreeing to procure purchasers for Trust Units or such convertible or exchangeable securities. Without limitation of the foregoing, the Trustees may create and issue rights,

warrants (including so-called “special warrants” which may be exercisable for no additional consideration) or options to subscribe for Trust Units or securities convertible into or exchangeable for, Trust Units, which rights, warrants or options may be exercisable at such subscription price or prices and at such time or times as the Trustees may determine. The rights, warrants or options so created may be issued for such consideration or for no consideration, all as the Trustees may determine. A right, warrant or option or a security convertible into or exchangeable for, Trust Units shall not be a Trust Unit and the holder thereof shall not be a Trust Unitholder.

- (b) Trust Units are only to be issued as fully paid in money, property, including an obligation to pay consideration in instalments, or past services, and are not to be subject to future calls or assessments, except that Trust Units to be issued under an eOffering may be issued for a consideration payable in instalments and the Trust may take a security interest over such Trust Units for unpaid instalments.
- (c) Trust Units may not be issued by the Trust or the Trustees other than:
 - (i) pursuant to subsection 3.3(a); or
 - (ii) pursuant to Section 5.7.

3.4 No Fractional Trust Units

Fractions of Trust Units shall not be issued, except pursuant to distributions of additional Trust Units to all Trust Unitholders pursuant to Section 5.7.

3.5 Consolidation of Trust Units

Immediately after any pro rata distribution of additional Trust Units to all Trust Unitholders pursuant to Section 5.7, the number of the outstanding Trust Units will be consolidated such that each Trust Unitholder will hold after the consolidation the same number of Trust Units as the Trust Unitholder held before the distribution of additional Trust Units. In this case, each Trust Unit Certificate representing a number of Trust Units prior to the distribution of additional Trust Units is deemed to represent the same number of Trust Units after the non-cash distribution of additional Trust Units and the consolidation.

Notwithstanding the foregoing, where tax is required to be withheld from a Trust Unitholder’s share of the distribution, the consolidation will result in such Trust Unitholder holding that number of Trust Units equal to (i) the number of Trust Units held by such Trust Unitholder prior to the distribution plus the number of Trust Units received by such Trust Unitholder in connection with the distribution (net of the number of whole and part Trust Units withheld on account of withholding taxes) multiplied by (ii) the fraction obtained by dividing the aggregate number of Trust Units outstanding prior to the distribution by the aggregate number of Trust

Units that would be outstanding following the distribution and before the consolidation if no withholding were required in respect of any part of the distribution payable to any Trust Unitholder. Such Trust Unitholder will be required to surrender the Trust Unit Certificates, if any, representing such Trust Unitholder's original Trust Units, in exchange for a Trust Unit Certificate representing such Trust Unitholder's post consolidation Trust Units.

3.6 No Pre-Emptive Rights

No Person shall be entitled, as a matter of right, to subscribe for or purchase any Trust Unit.

ARTICLE 4 INVESTMENTS OF TRUST

4.1 Purpose of the Trust

The Trust is a limited purpose trust and its operations and activities shall be restricted to:

- (a) investing in securities including those issued by ~~the~~ Chemtrade, including, without limitation, Chemtrade Common Shares and Chemtrade Notes;
- (b) temporarily holding cash in interest bearing accounts, short-term government debt or investment grade corporate debt for the purposes of paying the expenses of the Trust, paying amounts payable by the Trust in connection with the redemption of any Trust Units, and making distributions to Trust Unitholders;
- (c) issuing Trust Units, and securities convertible into or exchangeable for, Trust Units for cash or in satisfaction of any non-cash distribution or in order to acquire securities including those issued by Chemtrade;
- (d) issuing debt securities or borrowing funds, including letters of credit, bank guarantees and bankers' acceptances, and granting security in respect of any of the foregoing;
- (e) guaranteeing the obligations of Chemtrade or any Affiliate of the Trust pursuant to any good faith debt for borrowed money incurred by Chemtrade or the Affiliate, as the case may be, and pledging securities issued by Chemtrade or the Affiliate, as the case may be, as security for such guarantee;
- (f) issuing rights and Trust Units pursuant to any Trust Unitholder rights plan adopted by the Trust;
- (g) purchasing securities pursuant to any issuer bid made by the Trust; and

- (h) undertaking such other activities, or taking such actions, including investing in securities as shall be approved by the Trustees from time to time;

provided that the Trust shall not undertake any activity, take any action, or make any investment which would result in the Trust not being considered a “mutual fund trust” for purposes of the Tax Act or would result in the Trust Units being foreign property for the purposes of the Tax Act.

4.2 Other Investments

To the extent that any monies or other property received by the Trust or the Trustees are not to be immediately used by the Trustees for the purpose of making distributions under Article 5 hereof, the Trustees are hereby authorized and, where prudent to do so, shall invest such monies in: (i) debt obligations of or guaranteed by the Government of Canada or a province of Canada; (ii) short term commercial paper obligations of a corporation whose short term commercial paper is rated R-1 (or higher by Dominion Bond Rating Service Limited or A-1 or higher by CBRS Inc.); or (iii) interest-bearing accounts and certificates of deposit issued or guaranteed by one of the six largest (in terms of total assets) Canadian chartered banks, the Trustees shall not purchase or authorize the purchase of any investment which is “foreign property” under subsection 206(1) of the Tax Act if such purchase would result in the Trust exceeding the foreign property limitations contained in the Tax Act. For the purpose hereof, “short term” shall mean having a date of maturity or call for payment not more than 60 days from the date on which the investment is made.

ARTICLE 5 DISTRIBUTIONS

5.1 Computation of Distributable Cash Flow of the Trust

- (a) The Cash Flow of the Trust, for any Distribution Period, shall be determined pursuant to the following provisions:
 - (i) all amounts which are received by the Trust in the Distribution Period, including, without limitation, interest, dividends, proceeds from the disposition of securities, returns of capital and repayments of indebtedness, shall be included in the calculation;
 - (ii) the following amounts shall be deducted in the calculation:
 - (A) all costs and expenses of the Trust which, in the opinion of the Trustees, may reasonably be considered to have accrued and become owing in respect of, or which relate to, such Distribution Period or a prior Distribution Period if not accrued in such prior period;

- (B) all amounts which relate to the redemption of Trust Units and which have become payable in cash by the Trust in such Distribution Period; ~~and~~
 - (C) any other interest expenses incurred by the Trust between distributions; and
- (iii) the proceeds of any Offering and the Issue Expenses shall not be included in the calculations of Cash Flow of the Trust in respect of any Distribution Period.
- (b) The Distributable Cash Flow for, or in respect of, a Distribution Period shall be the Cash Flow of the Trust for such Distribution Period less any amount which the Trustees may reasonably consider to be necessary to provide for the payment of any costs which have been or will be incurred in the activities and operations of the Trust and to provide for the payments of any income tax liability of the Trust.

5.2 Computation of Income and Net Realized Capital Gains

- (a) The Income of the Trust for any taxation year of the Trust shall be the net income for the year determined pursuant to the provisions of the Tax Act having regard to the provisions thereof which relate to the calculation of income of a trust, and taking into account such adjustments thereto as are determined by the Trustees in respect of dividends received from taxable Canadian corporations, amounts paid or payable by the Trust to Trust Unitholders and such other amounts as may be determined in the discretion of the Trustees; provided, however, that capital gains and capital losses shall be excluded from the computation of net income.
- (b) The Net Realized Capital Gains of the Trust for any taxation year of the Trust shall be determined as the amount, if any, by which the aggregate of the capital gains of the Trust in the year exceeds (i) the aggregate of the capital losses of the Trust in the year, (ii) any capital gains which are realized by the Trust as a result of a redemption of Trust Units pursuant to Article 6, and (iii) the amount determined by the Trustees in respect of any net capital losses for prior taxation years which the Trust is permitted by the Tax Act to deduct in computing the taxable income of the Trust for the year.

5.3 Distributions of Distributable Cash Flow

The Trustees may, on or before each Distribution Record Date, declare payable to the Trust Unitholders on such Distribution Record Date, all or any part of the Distributable Cash Flow for the Distribution Period which includes such Distribution Record Date. The proportionate share of each Trust Unit of the amount of such Distributable Cash Flow shall be determined by dividing such amount by the number of issued and outstanding Trust Units on such Distribution

Record Date. Each Trust Unitholder's share of such Distributable Cash Flow shall be an amount equal to the proportionate share of each Trust Unit of such Distributable Cash Flow multiplied by the number of Trust Units owned of record by each such Trust Unitholder on such Distribution Record Date. Subject to Section 5.7, Distributable Cash Flow which has been declared to be payable to Trust Unitholders in respect of a Distribution Period shall be paid in cash on the Distribution Payment Date in respect of such Distribution Period.

5.4 Other Distributions

- (a) In addition to the distributions which are made payable to Trust Unitholders pursuant to Section 5.3, the Trustees may declare to be payable and make distributions, from time to time, out of Income of the Trust, Net Realized Capital Gains, the capital of the Trust or otherwise, in any year, in such amount or amounts, and on such dates as the Trustees may determine.
- (b) Having regard to the present intention of the Trustees to allocate, distribute and make payable to Trust Unitholders all of the Income of the Trust, Net Realized Capital Gains and any other applicable amounts so that the Trust will not have any liability for tax under Part I of the Tax Act in any taxation year (other than SIFT Taxes), the following amounts shall, without any further actions on the part of the Trustees, be due and payable to Trust Unitholders of record on December 31 in each such year:
 - (i) an amount equal to the amount, if any, by which the Income of the Trust for such year (determined without regard to the Trust's "non-portfolio earnings" (as defined in the Tax Act) for such year) exceeds the aggregate of the portions, if any, of each distribution made by the Trust pursuant to Section 5.3 and subsection 5.4(a) which have been determined by the Trustees, pursuant to Section 5.5, to have been payable by the Trust out of Income of the Trust for such year; and
 - (ii) an amount equal to the amount, if any, by which the Net Realized Capital Gains of the Trust for such year (determined without regard to any such capital gains that would be "non-portfolio earnings" (as defined in the Tax Act) of the Trust for such year) exceeds the aggregate of the portions, if any, of each distribution made by the Trust pursuant to Section 5.3 and subsection 5.4(a) which have been determined by the Trustees, pursuant to Section 5.5, to have been payable by the Trust out of Net Realized Capital Gains for such year.
- (c) The proportionate share of each Trust Unit of the amount of any distribution made pursuant to either or both of subsections 5.4(a) and (b) shall be determined by dividing such amount by the number of issued and outstanding Trust Units on the applicable record date in respect of a distribution pursuant to subsection 5.4(a)

and on December 31 in respect of a distribution pursuant to subsection 5.4(b). Each Trust Unitholder's share of the amount of any such distribution shall be an amount equal to the proportionate share of each Trust Unit of such amount multiplied by the number of Trust Units owned of record by each such Trust Unitholder on such applicable record date or December 31 in the year of such distribution, as the case may be. Subject to Section 5.7, amounts which have been declared to be payable to Trust Unitholders pursuant to either subsection 5.4(a) or (b) shall be paid in cash on the Distribution Payment Date which immediately follows the applicable record date in respect of a distribution pursuant to subsection 5.4(a) or December 31 in the applicable year in respect of a distribution pursuant to subsection 5.4(b).

- (d) In addition to the distributions which are made payable to Trust Unitholders, the Trustees may designate any capital gain or income realized by the Trust as a result of the redemption of Trust Units pursuant to Section 6.5 to the redeeming Trust Unitholders in accordance with that section.

5.5 Character of Distributions and Designations

In accordance with and to the extent permitted by the Tax Act, the Trustees in each year shall make designations in respect of the amounts payable to Trust Unitholders for such amounts that the Trustees consider to be reasonable in all of the circumstances, including, without limitation, designations relating to taxable dividends received by the Trust in the year on shares of taxable Canadian corporations, net capital gains realized by the Trust in the year and foreign source income of the Trust for the year, as well as elect under subsections 104(13.1) and/or (13.2) of the Tax Act that income be taxed to the Trust, rather than to the Trust Unitholders. Distributions payable to Trust Unitholders pursuant to this Article 5 shall be deemed to be distributions of Income of the Trust, Net Realized Capital Gains, trust capital or other items in such amounts as the Trustees shall, in their absolute discretion, determine. For greater certainty, it is hereby declared that any distribution of Net Realized Capital Gains shall include the non-taxable portion of the capital gains of the Trust which are encompassed in such distribution.

5.6 Enforceability of Right to Receive Distributions

Subject to subsection 2.6(d), for greater certainty, it is hereby declared that each Trust Unitholder shall have the legal right to enforce payment of any amount payable to such Trust Unitholder as a result of any distribution which is declared payable to such Trust Unitholder pursuant to this Article.

5.7 Method of Payment of Distributions

- (a) Where the Trustees determine that the Trust does not have available cash in an amount sufficient to make payment of the full amount of any distribution which has been declared to be payable pursuant to this Article on the due date for such

payment, the payment may, at the option of the Trustees, include the issuance of additional Trust Units, or fractions of Trust Units, if necessary, having a value equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution.

- (b) For purposes of subsection 5.7(a), the value of each Trust Unit which is issued pursuant to subsection 5.7(a) shall be deemed to be equal to the market price (as defined in Section 6.3) of the Trust Units on the applicable Distribution Record Date in respect of a distribution pursuant to Section 5.3, on the applicable Distribution Record Date in respect of a distribution under subsection 5.4(a) or December 31 in respect of a distribution under subsection 5.4(b), provided that if the particular date is not a Business Day then the market price (as defined in Section 6.3) shall be determined on the last Business Day which precedes such particular date.

5.8 Withholding Taxes

- (a) The Trustees may deduct or withhold from distributions payable to any Trust Unitholder all amounts required by law to be withheld from such distribution. If ~~Performance Inc.~~Chemtrade is obligated to withhold and pay any amount to any governmental agency or body from any payment or distribution to the Trust (including, without limitation, United States federal withholding taxes with respect to persons who are not U.S. Unitholders) because of a Trust Unitholder's status or which is otherwise specifically attributable to a Trust Unitholder (including, without limitation, any amount that ~~Performance Inc.~~Chemtrade is obligated to withhold and pay to such governmental agency or body as a result of a failure by the Trust Unitholder to provide the Trust with any form or other documentation, including a W8-BEN form), then the Trust shall reduce distributions which would otherwise be made to such Trust Unitholder by the amount withheld and paid to any such governmental agency or body. Each Trust Unitholder, by its acceptance of Trust Units, grants the Trustees the power of attorney to do so.
- (b) Any Trust Unitholder, that is not a U.S. Unitholder, that is or becomes a "10-percent shareholder" of ~~Performance Inc.~~Chemtrade within the meaning of Section 871(h)(3)(B) or Section 881(c)(3)(B) of the *Internal Revenue Code* and any Trust Unitholder that is a bank that receives interest as described in Section 881(c)(3)(A) of the *Internal Revenue Code* or a controlled foreign corporation within the meaning of Section 881(c)(3)(C) of the *Internal Revenue Code*, shall forthwith give notice thereof to the Trustees in accordance with subsection ~~16.1~~17.1(b). Each holder of a Trust Unit, by its acceptance of Trust Units, agrees that it shall indemnify and hold harmless the Trust and ~~Performance Inc.~~Chemtrade for any amount required to be withheld (including any interest and

penalties assessed on such amounts) as provided in subsection 5.8(a) and that such Trust Unitholder is entitled to subsequent distributions from the Trust only to the extent that such distributions are, in the sole opinion of the Trustees, in excess of amounts sufficient to discharge the required withholding.

5.9 Definitions

Unless otherwise specified or the context otherwise requires, any term in this Article which is defined in the Tax Act shall have for the purposes of this Article the meaning that it has in the Tax Act.

ARTICLE 6 REDEMPTION OF TRUST UNITS

6.1 Right of Redemption

Each Trust Unitholder shall be entitled to require the Trust to redeem at any time or from time to time at the demand of the [Trust](#) Unitholder all or any part of the Trust Units registered in the name of the Trust Unitholder at the prices determined and payable in accordance with the conditions hereinafter provided.

6.2 Exercise of Redemption Right

- (a) To exercise a Trust Unitholder's right to require redemption under this Article 6, a duly completed and properly executed notice requiring the Trust to redeem Trust Units, in a form approved by the Trustees, shall be sent to the Trust at the head office of the Trust. No form or manner of completion or execution shall be sufficient unless the same is in all respects satisfactory to the Trustees and is accompanied by any further evidence that the Trustees may reasonably require with respect to the identity, capacity or authority of the Person giving such notice.
- (b) Upon receipt by the Trust of the notice to redeem Trust Units, the Trust Unitholder shall thereafter cease to have any rights with respect to the Trust Units tendered for redemption (other than to receive the redemption payment therefor) including the right to receive any distributions thereon which are declared payable to the Trust Unitholders of record on a date which is subsequent to the day of receipt by the Trust of such notice. Trust Units shall be considered to be tendered for redemption on the date that the Trust has, to the satisfaction of the Trustees, received the notice and other required documents or evidence as aforesaid.

6.3 Cash Redemption

- (a) Upon receipt by the Trust of the notice to redeem Trust Units in accordance with Section 6.2, the holder of the Trust Units tendered for redemption shall be entitled

to receive a price per Trust Unit (hereinafter called the “Redemption Price”) equal to the lesser of:

- (i) 90% of the “market price” of the Trust Units on the principal market on which the Trust Units are quoted for trading during the 10 trading day period commencing immediately after the date on which the Trust Units were surrendered to the Trust for redemption; and
- (ii) 100% of the “closing market price” on the principal market on which the Trust Units are quoted for trading on the date that the Trust Units were so surrendered for redemption.

For the purposes hereof, “market price” shall be: an amount equal to the weighted average of the closing price of the Trust Units for each of the trading days on which there was a closing price; provided that if the applicable exchange or market does not provide a closing price, but only provides the highest and lowest prices of the Trust Units traded on a particular day, the “market price” shall be an amount equal to the weighted average of the highest and lowest prices for each of the trading days on which there was a trade; and provided further that if there was trading on the applicable exchange or market for fewer than five of the 10 trading days, the “market price” shall be the weighted average of the following prices established for each of the 10 trading days: the average of the last bid and last asking prices for each day on which there was no trading; the closing price of the Trust Units for each day that there was trading if the exchange or market provides a closing price; and the weighted average of the highest and lowest prices of the Trust Units for each day that there was trading, if the market provides only the highest and lowest prices of Trust Units traded on a particular day. For the purposes of subsection 6.3(a)(ii), the “closing market price” shall be: an amount equal to the closing price of the Trust Units if there was a trade on the date and the exchange or market provides a closing price; an amount equal to the average of the highest and lowest prices of Trust Units if there was trading and the exchange or other market provides only the highest and lowest trading prices of Trust Units traded on a particular day; and the average of the last bid and last asking prices if there was no trading on the date.

- (b) Subject to Sections 6.4 and 6.5, the Redemption Price payable in respect of the Trust Units surrendered for redemption during any calendar month shall be satisfied by way of cash payment no later than the last day of the calendar month following the month in which the Trust Units were tendered for redemption. Payments made by the Trust of the Redemption Price are conclusively deemed to have been made upon the mailing of a cheque in a postage prepaid envelope addressed to the former Trust Unitholder unless such cheque is dishonoured upon presentment. Upon such payment, the Trust shall be discharged from all liability to the former Trust Unitholder in respect of the Trust Units so redeemed.

6.4 No Cash Redemption in Certain Circumstances

Subsection 6.3(b) shall not be applicable to Trust Units tendered for redemption by a Trust Unitholder, if:

- (a) the total amount payable by the Trust pursuant to Section 6.3 in respect of such Trust Units and all other Trust Units tendered for redemption in the same calendar month exceeds \$50,000 (the “Monthly Limit”); provided that the Trustees may, in their sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any calendar month. Trust Units tendered for redemption in any calendar month in which the total amount payable by the Trust pursuant to subsection 6.3(b) exceeds the Monthly Limit will be redeemed for cash pursuant to subsection 6.3(b) and, subject to any applicable regulatory approvals, by a distribution in specie of securities of Chemtrade under Section 6.5 on a pro rata basis;
- (b) at the time the Trust Units are tendered for redemption, the outstanding Trust Units (or, as applicable, instalment receipts) are not listed for trading or quoted on any stock exchange or market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Trust Units (or, as applicable, instalment receipts); or
- (c) the normal trading of the outstanding Trust Units (or, as applicable, instalment receipts) is suspended or halted on any stock exchange on which the Trust Units (or, as applicable, instalment receipts) are listed for trading or, if not so listed, on any market on which the Trust Units (or, as applicable, instalment receipts) are quoted for trading, on the date that such Trust Units tendered for redemption were tendered to the Trust for redemption or for more than five trading days during the 10-day trading period commencing immediately after the date on which such Trust Units tendered for redemption were tendered to the Trust for redemption.

6.5 In Specie Redemption

If, pursuant to Section 6.4, subsection 6.3(b) is not applicable to Trust Units tendered for redemption by a Trust Unitholder, the Redemption Price per Trust Unit specified in Section 6.3 to which the Trust Unitholder would otherwise be entitled shall, subject to receipt of all necessary regulatory approvals (which the Trust shall use reasonable commercial efforts to obtain forthwith), be paid and satisfied by way of a distribution in specie to such Trust Unitholder, of a Pro Rata Number of Chemtrade Common Shares and Chemtrade Notes (in the principal amount of \$100). The Redemption Price payable pursuant to this Section 6.5 in respect of Trust Units tendered for redemption during any month shall, subject to receipt of all necessary regulatory approvals, be paid by the transfer, to or to the order of the Trust Unitholder who exercised the right of redemption, on the last day (the “Transfer Date”) of the calendar month following the month in which the Trust Units were tendered for redemption, of the number of

Chemtrade Common Shares and Chemtrade Notes (in the principal amount of \$100) determined as aforesaid. The Trust shall be entitled to all interest paid on the Chemtrade Notes and the distributions paid on the Chemtrade Common Shares being transferred to and including the Transfer Date. Payments by the Trust of the Redemption Price are conclusively deemed to have been made upon the mailing of the securities of Chemtrade by registered mail in a postage prepaid envelope addressed to the former Trust Unitholder and/or any party having a security interest. Upon such payment, the Trust shall be discharged from all liability to the former Trust Unitholder and any party having a security interest in respect of the Trust Units so redeemed. No fractional Chemtrade Common Shares or Chemtrade Notes in a principal amount less than \$100 will be distributed and, where the number of securities of the Company to be received by the former Trust Unitholder includes a fraction or a principal amount less than a multiple of \$100, such number shall be rounded to the next lowest number or multiple of \$100, as the case may be. Where the Trust makes a distribution in specie of a Pro Rata Number of securities of the Company on a redemption of Trust Units pursuant to this subsection, the Trustees may, in their sole discretion, designate to the redeeming trust Unitholders any capital gain or income realized by the Trust as a result of the distribution of such securities to the Unitholder.

6.6 Cancellation of all Redeemed Trust Units

All Trust Units which are redeemed under this Article 6 shall be cancelled and such Trust Units shall no longer be outstanding and shall not be reissued.

ARTICLE 7 TRUSTEES

7.1 Number of Trustees

The Trustees shall consist of not less than three and no more than ten Trustees, with the number of Trustees from time to time within such range being fixed by resolution of the Trustees; provided that until otherwise so determined by resolution, the number of Trustees shall be four.

7.2 Calling and Notice of Meetings

Meetings of the Trustees shall be called and held at such time and at such place as the Trustees, the Chairman of the Trustees or any two Trustees may determine, and any one Trustee or officer of the Trust may give notice of meetings when directed or authorized by such persons. Notice of each meeting of the Trustees shall be given to each Trustee not less than 48 hours before the time when the meeting is to be held, provided that if a quorum of Trustees is present, the Trustees may without notice hold a meeting immediately following an annual meeting of Trust Unitholders. Notice of a meeting of the Trustees may be given verbally, in writing or by telephone, fax or other means of communication. A notice of a meeting of Trustees need not specify the purpose of or the business to be transacted at the meeting. Notwithstanding the foregoing, the Trustees may by resolution from time to time fix a day or days in any month or months for regular meetings of the Trustees at a place and hour to be named, in which case,

provided that a copy of such resolution is sent to each Trustee forthwith after being passed and forthwith after each Trustee's appointment, no other notice shall be required for any such regular meeting.

7.3 Place of Meetings

Meetings of the Trustees may be held at any place in Canada. A Trustee who attends a meeting of Trustees, in Person or by telephone, is deemed to have consented to the location of the meeting except when he attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully held.

7.4 Meetings by Telephone

With the consent of the ~~eChairman~~ of the meeting or a majority of the other Trustees present at the meeting, a Trustee may participate in a meeting of the Trustees or of a committee of the Trustees by means of telephone or other communication facilities that permit all Persons participating in the meeting to hear each other. A Trustee participating in such a meeting in such manner shall be considered present at the meeting and at the place of the meeting.

7.5 Quorum

The quorum for the transaction of business at any meeting of the Trustees shall consist of the greater of two Trustees or a majority of the number of Trustees then holding office, and, notwithstanding any vacancy among the number of Trustees, a quorum of Trustees may exercise all of the powers of the Trustees.

7.6 Chairman

The ~~eChairman~~ of any meeting of the Trustees shall be the Trustee present at the meeting who holds the office of ~~Chairman~~ of the Trustees or if such Person is not present, the Trustees present shall choose one of their number to be ~~eChairman~~.

7.7 Action by the Trustees

At all meetings of the Trustees every question shall be decided by a majority of the votes cast on the question. In the case of equality of votes, the ~~eChairman~~ of the meeting shall not be entitled to a second or casting vote. The powers of the Trustees may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all Trustees who would be entitled to vote on that resolution at a meeting of the Trustees. Resolutions in writing may be signed in counterparts each of which shall be deemed to be an original and all originals together shall be deemed to be one and the same instrument.

7.8 Adjourned Meeting

Any meeting of Trustees may be adjourned from time to time by the ~~eChairman~~ of the meeting with the consent of the meeting to a fixed time and place. Further notice of the adjourned meeting need not be given. The adjourned meeting shall be duly constituted if a quorum is present and if it is held in accordance with the terms of the adjournment. If there is not a quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated upon its adjournment.

7.9 Remuneration and Expenses

The Trustees shall be paid such remuneration for their services as the Trustees may from time to time determine. Until otherwise determined, such compensation shall be \$5,000 per year for each Trustee plus \$1,000 per meeting of the Trustees. The Trustees shall also be entitled to be reimbursed for reasonable travelling and other expenses properly incurred by them in attending meetings of the Trustees or any committee thereof or in connection with their services as Trustees. Nothing herein contained shall preclude any Trustee from serving the Trust in any other capacity and receiving remuneration therefor.

7.10 Officers

The Trustees from time to time may appoint one or more officers of the Trust, including without limitation a ~~Chairman~~ of the Trustees, and, without prejudice to rights under any employment contract, may remove any officer of the Trust. The powers and duties of each officer of the Trust shall be those determined from time to time by the Trustees and, in the absence of such determination, shall be those usually applicable to the office held.

ARTICLE 8

ELECTION, APPOINTMENT, RESIGNATION AND REMOVAL OF THE TRUSTEES

8.1 Qualification of Trustees

The following Persons are disqualified from being a Trustee of the Trust:

- (a) anyone who is less than eighteen years of age;
- (b) anyone who is of unsound mind and has been so found by a ~~C~~ourt in Canada or elsewhere;
- (c) a Person who is not an individual;
- (d) a Person who is a non-resident of Canada as defined in the Tax Act; and
- (e) a Person who has the status of bankrupt.

8.2 ~~Appointment~~Election of Trustees

Except as otherwise provided herein, Trustees shall be ~~appointed~~elected (including the ~~reappointment~~re-election of incumbent Trustees) at each annual meeting of Trust Unitholders, and may be ~~appointed~~elected at a special meeting of Trust Unitholders, in each case to hold office, subject to Section ~~8.5,8.6~~, for a term expiring at the close of the next annual meeting of Trust Unitholders following such an ~~appointment~~election. Any such ~~appointment~~election (other than by the Initial Trustees) shall be made either by a resolution approved by a majority of the votes cast at a meeting of Trust Unitholders or shall be made by resolution in writing in the manner set out in Section ~~12.10.12.13~~. Notwithstanding the foregoing:

- (a) if no Trustees are ~~appointed~~elected at the annual meeting of Trust Unitholders held immediately before the term of office of the existing Trustees expires, such existing Trustees shall continue to hold the office of Trustees under this Declaration of Trust until successors have been elected or appointed or they cease to hold office; and
- (b) the Trustees may, between annual meetings of the Trust Unitholders, appoint one or more additional Trustees for a term to expire (subject to further ~~appointment~~election) at the close of the next annual meeting of Trust Unitholders, but the number of additional Trustees so appointed shall not at any time exceed one-third of the number of Trustees who held office immediately at the expiration of the immediately preceding annual meeting of Trust Unitholders.

8.3 Nomination of Trustees

- (a) Only persons who are nominated in accordance with the following procedures (and who comply with the requirements of Section 8.1) shall be eligible for election as Trustees. Nominations of persons for election as a Trustee may be made at any annual meeting of Trust Unitholders, or at any special meeting of Trust Unitholders, if one of the purposes for which the special meeting was called was the election of Trustees:
 - (i) by or at the direction of the Trustees, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more Trust Unitholders pursuant to a requisition of the Trust Unitholders made in accordance with this Declaration of Trust; or
 - (iii) by any Person (a “Nominating Unitholder”) who (A) at the close of business on the date of the giving of the notice provided for below in this Section 8.3 and on the record date for notice of such meeting, is a Trust

Unitholder or who beneficially owns one or more Trust Units; and (B) who complies with the procedures set forth below in this Section 8.3.

- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Unitholder, the Nominating Unitholder must have given timely notice thereof to the Trustees in the manner prescribed by this Declaration of Trust. Furthermore, if such notice is made on a day which is not a Business Day or later than 5:00 p.m. (Toronto Time) on a day which is a Business Day, then such notice shall be deemed to have been made on the next day that is a Business Day.
- (c) To be timely, a Nominating Unitholder's notice to the Trustees must be made:

 - (i) in the case of an annual meeting of Trust Unitholders, not less than 30 days prior to the date of the annual meeting of Trust Unitholders; provided, however, that in the event that the annual meeting of Trust Unitholders is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Unitholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (ii) in the case of a special meeting (which is not also an annual meeting) of Trust Unitholders called for the purpose of electing Trustees (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of Trust Unitholders was made.
- (d) A Nominating Unitholder's notice to the Trustees must set forth:

 - (i) as to each person whom the Nominating Unitholder proposes to nominate for election as a Trustee: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the number of Trust Units which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of Trust Unitholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of Trustees pursuant to applicable securities laws; and
 - (ii) as to the Nominating Unitholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such

Nominating Unitholder has a right to vote any Trust Units and any other information relating to such Nominating Unitholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of Trustees pursuant to applicable securities laws.

- (e) The Trust may require any proposed nominee to furnish such other information as may reasonably be required by the Trust to determine the eligibility of such proposed nominee to serve as an independent Trustee or that could be material to a reasonable Trust Unitholder's understanding of the independence, or lack thereof, of such proposed nominee.
- (f) No person shall be eligible for election as a Trustee unless nominated in accordance with the provisions of this Section 8.3 and unless such person complies with the requirements of Section 8.1; provided, however, that nothing in this Section 8.3 shall be deemed to preclude discussion by a Trust Unitholder (as distinct from the nomination of Trustees) at a meeting of Trust Unitholders of any matter in respect of which it would have been entitled to submit to a vote pursuant to the terms and conditions contained in this Declaration of Trust. The Chair of the applicable meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (g) For purposes of this Section 8.3, "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Trust under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- (h) Notwithstanding the foregoing, the Trustees may, in their sole discretion, waive any requirement in this Section 8.3.

8.4 ~~8.3~~ Consent to Act

- (a) A Person who is elected or appointed a Trustee hereunder (other than the Initial Trustees whose consent to act was given by the signatures to the 2001 Declaration) shall not become a Trustee until the Person has, either before or after such election or appointment, executed and delivered to the Trust a consent substantially as follows:

“To: Chemtrade Logistics Income Trust (the “Trust”)
And to: The Trustees thereof

The undersigned hereby consents to act as a Trustee of the Trust and hereby agrees, upon the later of the date of this consent and the date of the undersigned's s election or appointment as a Trustee of the Trust, to thereby become a party, as a Trustee, to the Amended and Restated Declaration of Trust dated as of the ~~17~~12th day of May, ~~2001~~,2016, as amended from time to time, constituting the Trust.

Dated: _____

[Signature]

[Print Name]"

- (b) Upon the later of a Person being elected or appointed a Trustee hereunder and executing and delivering to the Trust a consent substantially as set forth in subsection ~~8.3~~8.4(a), such Person shall become a Trustee hereunder and shall be deemed to be a party (as a Trustee) to this Declaration of Trust, as amended from time to time.

8.5 ~~8.4~~ Failure to Elect Minimum Number of Trustees

If a meeting of Trust Unitholders fails to elect the minimum number of Trustees required by this Declaration of Trust by reason of the disqualification or death of any nominee, the Trustees elected at the meeting may exercise all of the powers of the Trustees if the number of Trustees so elected constitutes a quorum.

8.6 ~~8.5~~ Ceasing to Hold Office

A Trustee ceases to hold office when:

- (a) he or she dies or resigns;
- (b) he or she is removed in accordance with Section ~~8.6~~8.7; or
- (c) he or she ceases to be duly qualified to act as a Trustee as provided under Section 8.1.

A resignation of a Trustee becomes effective ~~30 days from~~at the time a written resignation is sent to the Trust, or at the time specified in the resignation, whichever is later, provided that if, upon the resignation becoming effective, the number of remaining Trustees would be less than the number necessary to constitute a quorum for a meeting of Trustees, the resignation is not effective until the resigning Trustee's successor is duly elected or appointed as a Trustee.

Upon a Trustee ceasing to hold office as such hereunder, such Trustee shall cease to be a party (as a Trustee) to this Declaration of Trust; provided, however, that such Trustee shall continue to be entitled to be paid any amounts owing by the Trust to the Trustee and to the benefits of the indemnity provided in Section 9.8. Upon the resignation or removal of any Trustee, or upon a Trustee otherwise ceasing to be a Trustee, the Trustee shall cease to have the rights, privileges and powers of a Trustee hereunder, shall execute and deliver such documents as the remaining Trustees shall require for the conveyance of any Trust property held in that Trustee's name, shall account to the remaining Trustees as they may require for all property which that Trustee holds as Trustee, shall resign from all representative or other positions held by such Trustee on behalf of the Trust, including as a director or officer of any Person in which the Trust owns any securities (directly or indirectly) and shall thereupon be discharged as Trustee. Upon the incapacity or death of any Trustee, his or her legal representative shall execute and deliver on his or her behalf such documents as the remaining Trustees may require as provided in this Section ~~8.5-8.6~~. In the event that a Trustee or his or her legal representatives, as applicable, are unable or unwilling to execute and deliver such required documents, each of the remaining Trustees is hereby appointed as the attorney of such Trustee for the purposes of executing and delivering such required documents.

8.7 ~~8.6~~ Removal of Trustees

The Trust Unitholders may remove any Trustee or Trustees from office, by resolution approved by a majority of the votes cast at a meeting of Trust Unitholders called for that purpose. This Declaration of Trust may not be amended to require a greater number of votes of Trust Unitholders to remove a Trustee than the number set forth in this Section 8.7 unless the Trust Unitholders unanimously agree. A vacancy created by the removal of a Trustee may be filled at the meeting of Trust Unitholders at which the Trustee is removed or, if not so filled, may be filled as set forth in Section ~~8.7-8.8~~.

8.8 ~~8.7~~ Filling Vacancies

Subject to subsection 8.2(b), a quorum of Trustees may fill a vacancy among the Trustees, except a vacancy resulting from a failure to elect the minimum number of Trustees fixed by or pursuant to this Declaration of Trust. If there is not a quorum of Trustees, or if there has been a failure to elect the minimum number of Trustees required by or pursuant to this Declaration of Trust, the Trustees then in office shall forthwith call a special meeting of Trust Unitholders to fill the vacancy and, if they fail to call a meeting or if there are no Trustees then in office, the meeting may be called by any Trust Unitholder. A Trustee elected or appointed to fill a vacancy holds office, subject to Section ~~8.5-8.6~~, until the close of the next annual meeting of the Trust Unitholders.

8.9 ~~8.8~~ Validity of Acts

Any act of a Trustee is valid notwithstanding any irregularity in the election or appointment of the Trustees or a defect in the qualifications of the Trustees.

8.10 ~~8.9~~ Successor and Additional Trustee

The rights of the Trustees to control and exclusively administer the Trust and to have the title to the Trust Assets drawn up in their names or in the name of any other successor and all other rights of the Trustees at law shall vest automatically in any Person who may hereafter become a Trustee upon such Person's due election or appointment and qualification without any further act and such Person shall thereupon have all the rights, privileges, powers, authorities, obligations and immunities of a Trustee hereunder whether or not conveyancing documents have been executed and delivered pursuant to Section ~~8.5~~8.6 or otherwise.

ARTICLE 9 CONCERNING THE TRUSTEES

9.1 Powers of the Trustees

Subject to the terms and conditions of this Declaration of Trust, the Trustees may exercise from time to time in respect of the Trust Assets and the investments and affairs of the Trust any and all rights, powers and privileges that could be exercised by a legal and beneficial owner thereof.

9.2 Specific Powers and Authorities

Subject only to the express limitations contained in this Declaration of Trust and in addition to any other powers and authorities conferred by this Declaration of Trust or which the Trustees may have by virtue of any present or future statute or rule of law, the Trustees without any action or consent by the Trust Unitholders shall have and may exercise at any time and from time to time the following powers and authorities which may or may not be exercised by the Trustees in such manner and upon such terms and conditions as they may from time to time determine proper including the following powers and authorities:

- (a) to supervise the activities and manage the investments and affairs of the Trust;
- (b) to maintain records and provide reports to Trust Unitholders;
- (c) to collect, sue for and receive all sums of money due to the Trust;
- (d) to effect payment of distributions to the Trust Unitholders as provided in Article 5 but not contrary to any provisions of any Subordination Agreement or the terms of any Chemtrade Notes or the subordination provisions of any Chemtrade Note Indenture under which the same are issued;
- (e) to invest funds of the Trust as provided in Article 4;

- (f) if the Trustees become aware by written notice that the beneficial owners of 49% of the Trust Units then outstanding are, or may be, Non-residents (as defined below) or that such situation is imminent, the Trustees shall ensure that the limitations on non-resident ownership as provided in Section 13.5 are met;
- (g) to possess and exercise all the rights, powers and privileges pertaining to the ownership of Chemtrade Common Shares, Chemtrade Notes (subject to the applicable Chemtrade Note Indenture), and any other securities to the same extent that an individual might, unless otherwise limited herein, and, without limiting the generality of the foregoing, to vote or give any consent, request or notice, or waive any notice, either in Person or by proxy or power of attorney, with or without power of substitution, to one or more Persons, which proxies and powers of attorney may be for meetings or actions generally or for any particular meeting or action and may include the exercise of discretionary power;
- (h) where reasonably required, to engage or employ on behalf of the Trust any Persons as agents, representatives, employees or independent contractors (including, without limitation, investment advisors, registrars, underwriters, accountants, lawyers, appraisers, brokers or otherwise) in one or more capacities;
- (i) except as prohibited by law, to delegate any of the powers and duties of the Trustees to any one or more agents, representatives, officers, employees, independent contractors or other Persons without liability to the Trustees, except as provided in [Section 10.1 and in any other provision of](#) this Declaration of Trust;
- (j) to engage in, intervene in, prosecute, join, defend, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, disputes, claims, demands or other litigation or proceedings, regulatory or judicial, relating to the Trust, the assets of the Trust or the Trust's affairs, to enter into agreements therefor, whether or not any suit or proceeding is commenced or claim asserted and, in advance of any controversy, to enter into agreements regarding the arbitration, adjudication or settlement thereof;
- (k) to arrange for insurance contracts and policies insuring the Trust, its assets, the business of Chemtrade and/or any or all of the Trustees or the Trust Unitholders, including against any and all claims and liabilities of any nature asserted by any Person arising by reason of any action alleged to have been taken or omitted by the Trust or by the Trustees or Trust Unitholders;
- (l) to cause legal title to any of the assets of the Trust to be held by and/or in the name of a Trustee, or except as prohibited by law, by and/or in the name of the Trust or any other custodian or Person, on such terms, in such manner, with such powers in such Person as the Trustees may determine and with or without

disclosure that the Trust or the Trustee is interested therein; provided, however, that should legal title to any of the Trust Assets be held by and/or in the name of any Person or Persons other than a Trustee or the Trust, the Trustees shall require such Person or Persons to execute a trust agreement acknowledging that legal title to such assets is held in trust for the benefit of the Trust;

- (m) to issue securities of the Trust, including Trust Units, for such consideration as the Trustees may deem appropriate in their sole discretion, such issuance to be subject to the terms and conditions of the Declaration of Trust;
- (n) to do all such other acts and things as are incidental to the foregoing, and to exercise all powers which are necessary or useful to carry on the purpose and activities of the Trust, to promote any of the purposes for which the Trust is formed and to carry out the provisions of this Declaration of Trust;
- (o) the Trustees shall use their best efforts to ensure that the Trust qualifies at all times as a “mutual fund trust” pursuant to subsection 132(6) of the Tax Act and that the Trust Units are not foreign property within the meaning of the Tax Act;
- (p) in addition to the mandatory indemnification provided for in Section 9.8 to the extent permitted by law to indemnify, or enter into agreements with respect to the indemnification of any Person with whom the Trust has dealings including, without limitation, the Trustees, the Depository, registrar and transfer agent or escrow agent, to such extent as the Trustees shall determine;
- (q) with the approval or confirmation of Trust Unitholders, enact and from time to time amend or repeal by-laws not inconsistent with this Declaration of Trust containing provisions relating to the Trust, the Trust Assets and the conduct of the affairs of the Trust, but not in conflict with any provision of this Declaration of Trust;
- (r) without limit as to amount, to issue any type of debt securities or convertible debt securities and to borrow money or incur any other form of indebtedness for the purpose of carrying out the purposes of the Trust or for other expenses incurred in connection with the Trust and for such purposes may draw, make, execute and issue promissory notes and other negotiable and non-negotiable instruments or securities and evidences of indebtedness, secure the payment of sums so borrowed or indebtedness incurred and mortgage, pledge, assign or grant a security interest in any money owing to the Trust or engage in any other means of financing the Trust; and
- (s) to pay all taxes or assessments, of whatever kind or nature, whether within or outside Canada, imposed upon or against the Trustees in connection with the Trust Assets, undertaking or income of the Trust, or imposed upon or against the

Trust Assets, undertaking or income of the Trust, or any part thereof and to settle or compromise disputed tax liabilities and for the foregoing purposes to make such returns, take such deductions, and make such designations, elections and determinations in respect of Net Income or Net Realized Capital Gains distributed to Trust Unitholders in the year and any other matter as shall be permitted under the Tax Act (provided that to the extent necessary the Trustees will seek the advice of the Trust's counsel or the Auditors), and do all such other acts and things as may be deemed by the Trustees in their sole discretion to be necessary, desirable or convenient.

- (t) to guarantee the obligations of Chemtrade or any Affiliate of the Trust pursuant to any good faith debt for borrowed money incurred by Chemtrade or the Affiliate, as the case may be, and to pledge securities issued by Chemtrade or the Affiliate, as the case may be, or otherwise grant security interests in all or any part of the Trust Assets as security for such guarantee.

9.3 Restrictions on Trustee's Powers

- (a) Notwithstanding subsection 9.2(g), the Trustees may not under any circumstances whatsoever ~~vote Chemtrade Common Shares or, where applicable, any Chemtrade Notes, to authorize:~~authorize in any manner:
 - (i) any sale, lease or other disposition of, all or substantially all of the assets of ~~the Company~~Chemtrade, taken as a whole, except in conjunction with an internal reorganization or pursuant to a pledge in accordance with subsection 9.2(t);
 - (ii) any amalgamation, arrangement or other merger of the Company with any other corporation except in conjunction with an internal reorganization;
 - (iii) any material amendment to a Chemtrade Note Indenture other than in contemplation of a future issuance of Chemtrade Notes; or
 - (iv) any material amendment to the constating documents of any Chemtrade entity to change the authorized equity capital in a manner which may be prejudicial to the Trust;

without the approval of the Trust Unitholders by Special Resolution at a meeting of Trust Unitholders called for that purpose.

- (b) Except pursuant to a pledge in accordance with subsection 9.2(t) hereof, the Trustees shall have no power to sell or otherwise dispose of any Chemtrade Common Shares or Chemtrade Notes; (except pursuant to an in specie redemption under Section 6.5), or to sell all or substantially all of the Trust Assets or cause

Chemtrade, taken as a whole, to sell, lease or otherwise dispose of all or substantially all of ~~its~~their assets, except with the approval of the Trust Unitholders by Special Resolution at a meeting of Trust Unitholders called for that purpose or except as part of an internal reorganization of the direct or indirect assets of the Trust as a result of which the Trust has the same interest, whether direct or indirect, in the assets as the interest, whether direct or indirect, that it had prior to the reorganization.

- (c) The Trustees shall only vote Chemtrade Common Shares and exercise the rights under Chemtrade Notes in the manner provided for herein or permitted under the applicable Chemtrade Note Indenture, on the conditions contained therein.

9.4 Banking

The banking activities of the Trust, or any part thereof, including, but without restricting the generality of the foregoing, the operation of the Trust's accounts; the making, signing, drawing, accepting, endorsing, negotiation, lodging, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money; the giving of receipts for orders relating to any property of the Trust; the execution of any agreement relating to any property of the Trust; the execution of any agreement relating to any such banking activities and defining the rights and powers of the parties thereto; and the authorizing of any officer of such banker to do any act or thing on the Trust's behalf to facilitate such banking activities, shall be transacted with such bank, trust company, or other firm or corporation carrying on a banking business as the Trustees may designate, appoint or authorize from time to time and shall be transacted on the Trust's behalf by one or more officers of the Trust or Chemtrade as the Trustees may designate, appoint or authorize from time to time.

9.5 Standard of Care and Duties

The Trustees shall act honestly and in good faith with a view to the best interests of the Trust and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent Person would exercise in comparable circumstances. The Trustees shall not be liable in carrying out their duties under this Declaration of Trust except in cases where the Trustees fail to act honestly and in good faith with a view to the best interests of the Trust or to exercise the degree of care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances. The duties and standard of care of the Trustees provided as aforesaid are intended to be similar to, and not to be any greater than, those imposed on a director of a corporation governed by the *Business Corporations Act* (Ontario). Unless otherwise required by law, the Trustees shall not be required to give bond surety or security in any jurisdiction for the performance of any duties or obligations hereunder. The Trustees shall not be required to devote their entire time to the investments or business or affairs of the Trust.

9.6 Fees and Expenses

As part of the expenses of the Trust, the Trustees may pay or cause to be paid out of the Trust Assets, reasonable fees, costs and expenses incurred in connection with the administration and management of the Trust, including (without limitation) fees of auditors, accountants, lawyers, appraisers and other agents, consultants and professional advisors employed by or on behalf of the Trust and the cost of reporting or giving notices to Trust Unitholders. All costs, charges and expenses properly incurred by the Trustees on behalf of the Trust shall be payable out of the Trust Assets.

9.7 Limitations on Liability of Trustees

- (a) Subject to the standard of care set forth in Section 9.5, none of the Trustees nor the officers shall be liable to any Trust Unitholder for any action taken in good faith in reliance on any documents that are, prima facie, properly executed; for any depreciation of, or loss to, the Trust incurred by reason of the sale of any security; for the loss or disposition of monies or securities; or for any other action or failure to act including, without limitation, the failure to compel in any way any former trustee to redress any breach of trust or any failure by Chemtrade to perform obligations or pay monies owed to the Trust, except for a breach of the standard of care, diligence and skill as set out in Section 9.5 or a breach of Section 9.3. If the Trustees have retained an appropriate expert or advisor with respect to any matter connected with their duties under this Declaration of Trust, the Trustees may act or refuse to act based on the advice of such expert or advisor and, notwithstanding any provision of this Declaration of Trust, including, without limitation, the standard of care, diligence and skill set out in Section 9.5 hereof, the Trustees shall not be liable for any action or refusal to act based on the advice of any such expert or advisor which it is reasonable to conclude is within the expertise of such expert or advisor to give.
- (b) None of the Trustee nor any officer, director, employee or agent thereof shall be subject to any liability whatsoever in tort, contract or otherwise, in connection with Trust Assets or the affairs of the Trust, including, without limitation, in respect of any loss or diminution in value of any Trust Assets, to the Trust or to the Trust Unitholders or to any other Person for anything done or permitted to be done by the Trustees. The Trustees shall not be subject to any personal liability for any debts, liabilities, obligations, claims, demands, judgements, costs, charges or expenses against or with respect to the Trust arising out of anything done or permitted or omitted to be done in respect of the execution of the duties of the office of Trustees for or in respect to the affairs of the Trust. No property or assets of the Trustees, owned in their personal capacity or otherwise, will be subject to any levy, execution or other enforcement procedure with regard to any obligations under this Declaration of Trust or under any other related agreements. No recourse may be had or taken, directly or indirectly, against the Trustees in

their personal capacity or against any incorporator shareholder, director, officer, employee or agent of the Trustees or any successor of the Trustees. The Trust shall be solely liable therefor and resort shall be had solely to the Trust Assets for payment or performance thereof.

9.8 Indemnification of Trustees

Each Trustee, each former Trustee, each officer of the Trust and each former officer of the Trust shall be entitled to be and shall be indemnified and reimbursed out of the Trust Assets in respect of any and all taxes, penalties or interest in respect of unpaid taxes or other governmental charges imposed upon the Trustee or officer in consequence of its performance of its duties hereunder and in respect of any and all costs, charges and expenses, including amounts paid to settle an action or satisfy a judgement, reasonably incurred in respect of any civil, criminal or administrative action or proceeding to which the Trustee, former Trustee, officer or former officer is made a party by reason of being or having been a Trustee or officer of the Trust or, at the request of the Trust, a director or officer of Chemtrade or an Affiliate; provided that a Trustee, former Trustee, officer or former officer shall not be indemnified out of the Trust Assets in respect of unpaid taxes or other governmental charges or in respect of such costs, charges and expenses that arise out of or as a result or in the course of his or her failure to act honestly and in good faith with a view to the best interests of the Trust Unitholders. A Trustee, former Trustee, officer or former officer shall not be entitled to satisfy any right of indemnity or reimbursement granted herein, or otherwise existing under law, except out of the Trust Assets, and no Trust Unitholder or other Trustee or officer shall be personally liable to any Person with respect to any claim for such indemnity or reimbursement as aforesaid.

9.9 Contractual Obligations of Trust

In respect of any obligations or liabilities being incurred by the Trust or the Trustees on behalf of the Trust, the Trustees and the Trust shall make all reasonable efforts to include as a specific term of such obligations or liabilities a contractual provision to the effect that neither the Trust Unitholders nor the Trustees shall have any personal liability or obligations in respect thereof. The omission of such statement from any such document or instrument shall not render the Trustees or the Trust Unitholders liable to any Person, nor shall the Trustees or the Trust Unitholders be liable for such omission. If, notwithstanding this provision, the Trustees or any Trust Unitholder shall be held liable to any Person by reason of the omission of such statement from any such agreement, undertaking or obligation such Trustee or Trust Unitholder shall be entitled to indemnity and reimbursement out of the Trust Assets to the full extent of such liability.

9.10 Conflicts of Interest

- (a) ~~A Trustee or an officer of the Trust who is a party to, or is a director or officer of or has a material interest in any Person who is a party to, a material contract or proposed material contract with the Trust shall disclose in writing to the Trust the~~

~~nature and extent of such interest, and shall not vote on any resolution to approve the contract, unless the contract is one relating primarily to remuneration as a Trustee or officer, one for indemnity or insurance, or one with Chemtrade and, for greater certainty, a Trustee complying with this Section 9.10, shall not be subject to any liability to the Trust or the Trust Unitholders with respect to such contract or proposed material contract as aforesaid.~~ A Trustee or an officer of the Trust shall disclose to the Trust, in writing or by requesting to have entered in the minutes of meetings of the Trustees or of meetings of committees of Trustees, the nature and extent of any interest that he or she has in a material contract or transaction, whether made or proposed, with the Trust, if such Trustee or officer:

- (i) is a party to the contract or transaction;
 - (ii) is a director or officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
 - (iii) has a material interest in a party to the contract or transaction.
- ~~(b) Subject to subsection 9.10(a), each Trustee, in its personal capacity or any other capacity, may buy, lend upon and deal in securities of the Trust and generally may contract and enter into any financial transactions with the Trust without being liable to account for any profit made thereby.~~ The disclosure required in subsection (a) must be made, in the case of a Trustee:
- (i) at the meeting at which the proposed material contract or transaction is first considered;
 - (ii) if the Trustee was not then interested in the proposed material contract or transaction, at the first such meeting after he or she becomes so interested;
 - (iii) if the Trustee becomes interested after a material contract or transaction is entered into, at the first meeting of Trustees after he or she becomes so interested; or
 - (iv) if a person who is interested in a material contract or transaction later becomes a Trustee, at the first such meeting after he or she becomes a Trustee.
- (c) The disclosure required in subsection (a) must be made, in the case of an officer of the Trust who is not a Trustee:
- (i) immediately after he or she becomes aware that the contract, transaction, proposed contract or proposed transaction is to be considered or has been considered at a meeting;

- (ii) if the officer becomes interested after a contract or transaction is made, immediately after he or she becomes so interested; or
 - (iii) if a person who is interested in a contract or transaction later becomes an officer, immediately after he or she becomes an officer.
- (d) Notwithstanding subsections (b) and (c), if a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of business of the Trust, would not require approval by the Trustees or Trust Unitholders, then a Trustee or officer shall disclose in writing to the Trustees, or request to have entered in the minutes of meetings of the Trustees or of meetings of committees of the Trustees, the nature and extent of his or her interest immediately after he or she becomes aware of the contract or transaction.
- (e) A Trustee required to make disclosure under subsection (a) shall not vote on any resolution to approve the contract or transaction unless the contract or transaction:
 - (i) relates primarily to his or her remuneration as a Trustee, officer, employee, agent or mandatary of the Trust or any Affiliate of the Trust;
 - (ii) is for indemnity as permitted hereunder or the purchase of liability insurance; or
 - (iii) is with an Affiliate.
- (f) For the purposes hereof, a general notice to the Trustees by a Trustee or an officer of the Trust declaring that he or she is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party, is a sufficient declaration of interest in relation to the contract or transaction:
 - (i) the Trustee or officer is a director or officer, or acting in a similar capacity, of the party;
 - (ii) the Trustee or officer has a material interest in the party; or
 - (iii) there has been a material change in the nature of the interest of the Trustee or officer in the party.
- (g) The Trust Unitholders may examine the portions of any minutes of meetings of Trustees or of committees of Trustees that contain disclosures under this Section 9.10, and any other documents that contain those disclosures, during normal business hours.
- (h) A contract or transaction for which disclosure is required under subsection (a) is not invalid, and the Trustee or officer, as applicable, is not accountable to the

Trust or to the Trust Unitholders for any profit or gain realized from the contract or transaction because of that interest in the contract or transaction or because the Trustee was present or was counted to determine whether a quorum existed at the meeting of Trustees or committee of Trustees that considered the contract or transaction, if:

- (i) the Trustee or officer disclosed his or her interest as set out above,
- (ii) the Trustees approved the contract or transaction, and
- (iii) the contract or transaction was reasonable and fair to the Trust at the time it was so approved.

(i) Even if the conditions of subsection (h) are not met, a Trustee or officer of the Trust, acting honestly and in good faith, is not accountable to the Trust or to the Trust Unitholders for any profit realized from a contract or transaction for which disclosure is required under subsection (a), and the contract or transaction is not invalid by reason only of the interest of the Trustee or officer in the contract or transaction, if:

- (i) the contract or transaction is approved or confirmed by Special Resolution at a meeting of Trust Unitholders;
- (ii) disclosure of the interest was made to Trust Unitholders in a manner sufficient to indicate its nature before the contract or transaction was approved or confirmed; and
- (iii) the contract or transaction was reasonable and fair to the Trust when it was approved or confirmed.

(i) If a Trustee or officer fails to comply with this section, the Trust, any Trustee or any Trust Unitholder may apply to court for an order setting aside the contract or transaction on any terms that it sees fit, or require the Trustee or officer to account to the Trust for any profit or gain realized on it, or do both of those things.

9.11 Conditions Precedent

The obligation of the Trustees to commence or continue any act, action, suit or proceeding or to represent the Trust in any action, suit or proceeding shall be conditional upon sufficient funds being available to the Trustees from the Trust Assets to commence or continue such act, action, suit or proceeding or to represent the Trust in any action, suit or proceeding and an indemnity reasonably satisfactory to the Trustees to protect and hold harmless the Trustees against the costs, charges and expenses and liabilities to be incurred therein and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Declaration of Trust shall

require the Trustees to expend or risk their own funds or otherwise incur financial liability in the performance of their duties or in the exercise of any of their rights or powers unless it is given an indemnity and funding satisfactory to the Trustees, acting reasonably.

ARTICLE 10 COMMITTEES OF TRUSTEES

10.1 Delegation

Except as prohibited by law, the Trustees may appoint from their number a committee of Trustees and may delegate to the committee of Trustees such authority as the Trustees may in their sole discretion deem necessary or desirable to effect the administration of the duties of the Trustees under this Declaration of Trust, without regard to whether such authority is normally granted or delegated by Trustees; provided that the Trustees may not delegate to any managing Trustee or any committee of Trustees or any officer the authority to: (a) submit to Trust Unitholders any question or matter requiring the approval of Trust Unitholders; (b) fill a vacancy among the Trustees or appoint additional trustees; (c) issue Trust Units except as authorized by the Trustees; (d) declare distributions; (e) approve a proxy circular; (f) approve a take-over bid circular; or (g) approve the annual financial statements of the Trust.

10.2 Procedure

Unless otherwise determined by the Trustees, a quorum for meetings of any committee shall be a majority of its members, each committee shall have the power to appoint its ~~e~~Chairman and the rules for calling, holding, conducting and adjourning meetings of the committee shall be the same as those governing the Trustees. Each member of a committee shall serve during the pleasure of the Trustees and, in any event, only so long as he or she shall be a Trustee. The Trustees may fill vacancies in a committee by appointment from among their members. Provided that a quorum is maintained, the committee may continue to exercise its powers notwithstanding any vacancy among its members.

ARTICLE 11 AMENDMENT

11.1 Amendment

- (a) ~~The provisions of this Declaration of Trust, Subject to subsection (d) and~~ except where specifically provided otherwise, ~~may only be amended by Special Resolution; provided that the~~ herein, the Trustees shall submit to the Trust Unitholders at the next meeting of Trust Unitholders any amendment to this Declaration of Trust that has not been approved by the Trust Unitholders, and the Trust Unitholders may, by a resolution approved by a majority of the votes cast at a meeting of Trust Unitholders, confirm, reject or amend the amendment to the Declaration of Trust.

- (b) An amendment to this Declaration of Trust which the Trustees are expressly empowered to make pursuant to the terms hereof is effective from the date the amended Declaration of Trust is signed which reflects the amendment approved by the Trustees and, if subsection (a) applies, until it is confirmed, confirmed as amended or rejected by the Trust Unitholders under subsection (a) or until it ceases to be effective under subsection (c) and, where the amendment is confirmed or confirmed as amended, it continues in effect in the form in which it was so confirmed.
- (c) If an amendment to this Declaration of Trust is rejected by the Trust Unitholders, or if the Trustees do not submit an amendment to the Trust Unitholders as required under subsection (a), the amendment ceases to be effective immediately after the meeting of Trust Unitholders referred to in subsection (a) and no subsequent resolution of the Trustees to amend the Declaration of Trust having substantially the same purpose or effect is effective until it is confirmed or confirmed as amended by the Trust Unitholders. The Trustees shall sign an amended Declaration of Trust which removes the rejected or unapproved amendment.
- (d) The provisions of this Declaration of Trust may be amended by the Trustees without the consent, approval or ratification of the Trust Unitholders or any other Person at any time for the purpose of:
- (i) ~~(a)~~ ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over the Trustees or the Trust;
 - (ii) ~~(b)~~ providing additional protection, in the opinion of Counsel, for the Trust Unitholders;
 - (iii) ~~(c)~~ removing any conflicts or inconsistencies in this Declaration of Trust or making minor corrections which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Trust Unitholders; or
 - (iv) ~~(d)~~ making amendments which, in the opinion of the Trustees, are necessary or desirable as a result of changes in Canadian taxation laws;
- ~~but notwithstanding the foregoing, no~~ Any Trust Unitholder may apply to a court for an order setting aside any such amendment on the grounds that it does not fall within clauses (i) to (iv) above.
- (e) Notwithstanding the forgoing (i) no amendment may be made to this Declaration of Trust, the subject matter of which is contemplated by Sections 8.7, 9.3, 12.5 or 15.2, except in accordance with the approval thresholds set out in such Sections;

and (ii) no amendment to this Declaration of Trust shall modify the right to one vote per Trust Unit or reduce the fractional undivided interest in the Trust Assets represented by any Trust Unit without the consent of the holder of such Trust Unit and no amendment shall reduce the percentage of votes required to be cast at a meeting of the Trust Unitholders for the purpose of this Section 11.1 without the consent of the holders of all of the Trust Units then outstanding.

11.2 Notification of Amendment

As soon as shall be practicable after the making of any amendment pursuant to this Article 11, the Trustees shall furnish written notification of the substance of such amendment to each Trust Unitholder.

ARTICLE 12 MEETINGS OF TRUST UNITHOLDERS

12.1 Annual and Special Meetings of Trust Unitholders

Annual meetings of the Trust Unitholders shall be called ~~on a day on or before June 30 in each~~by the Trustees not later than 15 months after holding the last preceding annual meeting of Trust Unitholders but no later than six months after the end of the Trust's preceding financial year, at a time and at a place in Canada set by the Trustees. Notwithstanding the forgoing, the Trust may apply to the court for an order extending the time for calling an annual meeting. The business transacted at such meetings shall include the presentation of the audited financial statements of the Trust for the immediately preceding fiscal year, the appointment of the Trustees for the ensuing year in accordance with Article 8, the appointment of Auditors and the transaction of such other business as Trust Unitholders may be entitled to vote upon as hereinafter provided in this Article 12 or as the Trustees may determine.

Special meetings of the Trust Unitholders may be called at any time by the Trustees and, subject to Section ~~12.9, 12.12 and the remainder of this Section 12.1,~~ shall be called by the Trustees upon a written requisition of Trust Unitholders holding in the aggregate not less than ~~105~~5% of the Trust Units then outstanding, such requisition specifying in reasonable detail the business proposed to be transacted at the meeting. ~~The chairperson and being sent to each Trustee and the head office of the Trust.~~ Upon receipt by the Trustees of a written requisition for a meeting from Trust Unitholders holding the requisite number of Trust Units as aforesaid, the Trustees shall call a special meeting of Trust Unitholders to transact the business referred to the requisition, unless:

- (a) a record date for a meeting of Trust Unitholders has been fixed and notice thereof has been given to each stock exchange in Canada on which the Trust Units are listed for trading;
- (b) the Trustees have called a meeting of Trust Unitholders and have given notice thereof pursuant to Section 12.2; or

- (c) in connection with the business as stated in the requisition:
- (i) it clearly appears that the matter covered by the requisition is (A) submitted by a Trust Unitholder primarily for the purpose of enforcing a personal claim or redressing a personal grievance against the Trust, the Trustees, the Trust Unitholders or other securityholders of the Trust; or (B) does not relate in a significant way to the business or affairs of the Trust;
 - (ii) the Trust, at the request of any of the Trust Unitholders who signed the requisition, included a matter covered by another requisition in an information circular relating to a meeting of Trust Unitholders held within two years preceding the receipt of the requisition and such Trust Unitholder failed to present the matter, in person or by proxy, at the meeting;
 - (iii) substantially the same matter covered by the requisition was submitted to Trust Unitholders in an information circular relating to a meeting of Trust Unitholders held within two years preceding the receipt of the requisition and the matter covered by the requisition was not approved at the meeting; or
 - (iv) the rights conferred by this Section 12.1 are being abused to secure publicity.

Subject to the foregoing, if the Trustees do not within 21 days after receiving the requisition call a meeting, any Trust Unitholder who signed the requisition may call the meeting as nearly as possible in the manner in which meetings are to be called pursuant to this Article 12.

Unless the Trust Unitholders otherwise resolve at a meeting called under this Section 12.1, the Trust shall reimburse the Trust Unitholders who signed the requisition the expenses reasonably incurred by them in requisitioning, calling and holding the meeting.

The Chair of any annual or special meeting shall be the ~~Chairman~~ of the Trustees or any other individual specified by resolution of the Trustees or, in the absence of the foregoing, any individual appointed as ~~chairperson~~Chair of the meeting by the Trust Unitholders present. The Trustees, the officers of the Trust, the Auditors and any other Person approved by the Trustees, the ~~chairperson~~Chair of the meeting or by resolution passed by a majority of the votes cast by Trust Unitholders represented at the meeting may attend meetings of the Trust Unitholders.

12.2 Notice of Meetings

Notice of all meetings of Trust Unitholders shall be given by either (a) by electronic delivery, or (b) if the Trust Unitholder has not indicated a preference for electronic delivery, unregistered

mail, postage prepaid, addressed to each Trust Unitholder at his or her last address on the books of the Trust, mailed at least 21 days and not more than 50 days before the meeting. Such notice shall specify the time when, and the place where, such meeting is to be held and shall specify the nature of the business to be transacted at such meeting in sufficient detail to permit a Trust Unitholder to form a reasoned judgement thereon, together with the text of any Special Resolution or any other resolution of the Trust Unitholders, at the time of mailing of the notice, proposed to be passed. Any adjourned meeting, other than a meeting adjourned for lack of a quorum under subsection 12.6(b), may be held as adjourned without further notice. The accidental omission to give notice or the non-receipt of such notice by a Trust Unitholder shall not invalidate any resolution passed at any such meeting. Notwithstanding the foregoing, a meeting of Trust Unitholders may be held at any time without notice if all the Trust Unitholders are present or represented thereat or those not so present or represented have waived notice. Any Trust Unitholder (or a duly appointed proxy of a Trust Unitholder) may waive any notice required to be given under the provisions of this section, and such waiver, whether given before or after the meeting, shall cure any default in the giving of such notice.

12.3 Quorum

At any meeting of the Trust Unitholders, subject as hereinafter provided, a quorum shall consist of two or more individuals present in person either holding personally or representing as proxies not less in aggregate than 25% of the vote attached to all outstanding Trust Units. In the event of such quorum not being present at the appointed place on the date for which the meeting is called within 30 minutes after the time fixed for the holding of such meeting, the meeting, if called by request of Trust Unitholders, shall be terminated and, if otherwise called, shall stand adjourned to such day being not less than 14 days later and to such place and time as may be appointed by the ~~chairperson~~Chair of the meeting. If at such adjourned meeting a quorum as above defined is not present, the Trust Unitholders present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

12.4 Voting Rights of Trust Unitholders

Only Trust Unitholders of record shall be entitled to vote and each Trust Unit shall entitle the holder or holders of that Trust Unit to one vote on a poll vote at any meeting of Trust Unitholders. Every question submitted to a meeting, other than a Special Resolution, shall, unless a poll vote is demanded, be decided by a show of hands vote, on which every Person present and entitled to vote shall be entitled to one vote. At any meeting of Trust Unitholders, any holder of Trust Units entitled to vote thereat may vote by proxy and a proxy need not be a Trust Unitholder, provided that no proxy shall be voted at any meeting unless it shall have been received by the Transfer Agent for verification at least 24 hours prior to the commencement of such meeting. When any Trust Unit is held jointly by several Persons, any one of them may vote at any meeting in person or by proxy in respect of such Trust Unit, but if more than one of them shall be present at such meeting in person or by proxy, and such joint owners or their proxies so

present disagree as to any vote to be cast, such vote purporting to be executed by or on behalf of a Trust Unitholder shall be deemed valid unless challenged at or prior to its exercise, and the burden of proving invalidity shall rest on the challenger.

12.5 Resolutions Binding the Trustees

Trust Unitholders shall be entitled to pass resolutions that will bind the Trust only with respect to the following matters:

- (a) the election or removal of a Trustee (or increasing the number of votes of Trust Unitholders required to remove a Trustee) as provided in Article 8;
- (b) the appointment or removal of Auditors as provided in Article ~~17~~18;
- (c) the appointment of an inspector as provided in Section ~~12.9~~12.12;
- (d) amendments of this Declaration of Trust as provided in Section 11.1;
- (e) the termination of the Trust as provided in Section ~~14.2~~15.2;
- (f) the sale or other disposition of Chemtrade Common Shares or Chemtrade Notes, the sale of all or substantially all of the Trust Assets or the sale, lease or other disposition of all or substantially all of the assets of Chemtrade, taken as a whole, as provided in subsection 9.3(b);
- (g) the exercise of certain voting rights attached to the securities of Chemtrade held by the Trust as provided in subsection 9.3(a); ~~and~~
- (h) the dissolution of the Trust prior to the end of its term; and
- (i) any other matters which (i) expressly require the approval of the Trust Unitholders pursuant to this Declaration of Trust; or (ii) the Trustees determine to present to the Trust Unitholders for their approval or ratification notwithstanding that there is no express requirement for such approval or ratification hereunder.

Except with respect to the above matters set out in this Section 12.5, no action taken by the Trust Unitholders or any resolution of the Trust Unitholders at any meeting shall in any way bind the Trustees. Any action taken or resolution passed in respect of any matter at a meeting of Trust Unitholders shall be by Special Resolution, ~~unless~~except (i) if the contrary is otherwise expressly provided under any specific provision of this Declaration of Trust ~~and except~~, (ii) for the matters set out in subsections 12.5(a) and 12.5(b) above which matters may be dealt with by a resolution passed by a majority of the votes cast by Trust Unitholders represented at the meeting, and (iii) if the matter is one which the Trustees present to the Trust Unitholders for their approval or ratification notwithstanding that there is no express requirement for such approval or ratification hereunder, in which case any such action taken or resolution passed shall be by Special

Resolution or by a majority of the votes cast by Trust Unitholders represented at the meeting, whichever the Trustees may deem appropriate.

12.6 Meaning of “Special Resolution”

- (a) The expression “Special Resolution” when used in this Declaration of Trust means, subject to Article 12, a resolution proposed to be passed as a special resolution at a meeting of Trust Unitholders (including an adjourned meeting) duly convened for that purpose and held in accordance with the provisions of this Article at which two or more individuals present in person either holding personally or representing as proxies not less in aggregate than 25% of the number of Trust Units then outstanding and passed by the affirmative votes of the holders of more than ~~66-2/3~~2/3% of the Trust Units represented at the meeting and voted on a poll upon such resolution.
- (b) Notwithstanding Section 12.3, if at any meeting at which a Special Resolution is proposed to be passed the holders of 25% of the aggregate number of Trust Units outstanding are not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by or on the requisition of Trust Unitholders, shall be dissolved; but in any other case it shall stand adjourned to such date, being not less than 21 nor more than 60 days later and to such place and time as may be appointed by the ~~chairperson~~Chair of the meeting. Not less than 10 days prior notice shall be given of the time and place of such adjourned meeting in the manner provided in Section 12.2. Such notice shall state that at the adjourned meeting the Trust Unitholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting, the Trust Unitholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided in subsection 12.6(a) shall be a Special Resolution within the meaning of this Declaration of Trust, notwithstanding that the holders of less than 25% of the aggregate number of Trust Units then outstanding are present in Person or by proxy at such adjourned meeting.
- (c) Votes on a Special Resolution shall always be given on a poll and no demand for a poll on a Special Resolution shall be necessary.

12.7 Meaning of “Outstanding”

Every Trust Unit issued, certified and delivered hereunder shall be deemed to be outstanding until it shall be cancelled or delivered to the Trustees or Transfer Agent for cancellation, provided that:~~(a)~~ — when a new certificate has been issued in substitution for a Trust Unit Certificate which has been lost, stolen, mutilated or destroyed, only one of such Trust Unit

Certificates shall be counted for the purposes of determining the number of Trust Units outstanding;

~~(b) — for the purpose of any provision of this Declaration of Trust entitling holders of outstanding Trust Units to vote, sign consents, requisitions or other instruments or take any action under this Declaration of Trust, Trust Units owned directly or indirectly, legally or equitably, by the Trust, Chemtrade or any Affiliate thereof shall be disregarded, except that:~~

12.8 Voting Units Held by the Trust

(a) If the Trust holds any Trust Units, the Trust shall not vote or permit those Trust Units to be voted unless:

~~(i) for the purpose of determining whether the Trustees shall be protected in relying on any such vote, consent, requisition or other instrument or action only the Trust Units which the Trustees know are so owned shall be so disregarded; and~~ the Trust holds the Trust Units for the benefit of the beneficial owner;

~~(ii) Trust Units so owned which have been pledged in good faith other than to the Trust, Chemtrade or an Affiliate thereof shall not be so disregarded if the pledgee shall establish to the satisfaction of the Trustees the pledgee's right to vote such Trust Units in its discretion free from the control of the Trust, Chemtrade or any Affiliate thereof; and~~ the Trust, without delay following the filing or receipt by the Trust, as applicable, of the notice of the meeting, financial statements, management proxy circular, dissident's proxy circular and any other documents (other than the form of proxy) sent to registered Trust Unitholders by or on behalf of any Person for use in connection with the applicable meeting, sends a copy of the document to the beneficial owner of the Trust Units and, except where the Trust has received written voting instructions from the beneficial owner of the Trust Units, a written request for such instructions; and

~~(iii) the Trust receives written voting instructions from the beneficial owner of the Trust Units,~~

in which case the Trust shall vote, or appoint a proxyholder to vote, any such Trust Units in accordance with any written voting instructions received from the beneficial owner thereof.

(b) A Trust Unitholder by or on behalf of whom a solicitation is made shall provide, at the request of the Trust, without delay, to the Trust at the Trust Unitholder's

expense the necessary number of copies of the documents referred to in subsection (a), other than copies of the document requesting voting instructions.

- (c) ~~for the purposes of subsection 12.7(b), the Transfer Agent shall provide a certificate which will state the number of Trust Units and the certificate numbers of certificates, if certificates are issued, held by the Trust, Chemtrade or any Affiliate thereof. The Trustees shall be entitled to rely on such certificate in order to disregard the votes of any of the parties mentioned above.~~ If a beneficial owner of Trust Units held by the Trust so requests and provides the Trust with appropriate documentation, the Trust must appoint the beneficial owner or a nominee of the beneficial owner as proxyholder.
- (d) The Trust, the Trustees and the Trust Unitholders agree that the failure of the Trust to comply with this Section 12.8 does not render void any meeting of Trust Unitholders or any action taken at the meeting.
- (e) Nothing in this Section 12.8 gives the Trust the right to vote Trust Units that the Trust is otherwise prohibited from voting.
- (f) The Trust shall not permit any Chemtrade entity holding Trust Units to vote, or permit those Trust Units to be voted, unless such Chemtrade entity satisfies the requirements of subsection (a).

12.9 ~~12.8~~ Record Date for Voting

For the purpose of determining the Trust Unitholders who are entitled to vote or act at any meeting or any adjournment thereof, the Trustees may fix a date not more than 60 days and not less than 21 days prior to the date of any meeting of Trust Unitholders as a record date for the determination of Trust Unitholders entitled to vote at such meeting or any adjournment thereof, and any Trust Unitholder who was a Trust Unitholder at the time so fixed shall be entitled to vote at such meeting or any adjournment thereof even though the Trust Unitholder has since that time disposed of his or her Trust Units, and no Trust Unitholder becoming such after that time shall be so entitled to vote at such meeting or any adjournment thereof. In the event that the Trustees do not fix a record date for any meeting of Trust Unitholders, the record date for such meeting shall be the date upon which notice of the meeting is given as provided under Section 12.2.

12.10 Trust Unitholder Proposals

- (a) Subject to subsections (b) and (c), a Trust Unitholder or beneficial owner of Trust Units may (i) submit notice to the Trust of any matter that the Person proposes to raise at an annual meeting of Trust Unitholders (a “Proposal”); and (ii) discuss at the meeting any matter with respect to which the Person would have been entitled to submit a Proposal.
- (b) To be eligible to submit a Proposal, a Person:
 - (i) must be, for at least the six-month period immediately before the day on which the Person submits the Proposal, the registered holder or the beneficial owner of (A) at least 1% of the total number of outstanding Trust Units, as of the day on which the Person submits a Proposal; or (B) Trust Units whose fair market value, as determined at the close of business on the day before the Person submits the Proposal, is at least \$2,000; or
 - (ii) must have the support of Persons who, in the aggregate, including or not including the Person that submits the Proposal, have been, for at least the six-month period immediately before the day on which the Person submits the Proposal, the registered holders or beneficial owners of (A) at least 1% of the total number of outstanding Trust Units, as of the day on which the Person submits the Proposal; or (B) Trust Units whose fair market value, as determined at the close of business on the day before the Person submits the Proposal, is at least \$2,000.
- (c) A Proposal must be accompanied by the following information:
 - (i) the name and address of the Person submitting the Proposal and the Person’s supporters, if applicable; and
 - (ii) the number of Trust Units held or owned by the Person submitting the Proposal and the Person’s supporters, if applicable, and the date such Trust Units were acquired.
- (d) If requested by the Trust within 14 days of the receipt of the Proposal, a Person who submits a Proposal must provide proof, within 21 days following the day on which the Person receives the Trust’s request, or if the request was mailed to the Person, within 21 days after the postmark date stamped on the envelope containing the request, that the Person meets the requirements set out in subsection (b).
- (e) The Trust shall set out the Proposal in its information circular delivered in connection with its annual meeting or attach the Proposal thereto.

- (f) If so requested by the Person who submits the Proposal, the Trust shall include in, or attach to, its information circular delivered in connection with its annual meeting, a statement in support of the Proposal by the Person and the name and address of the Person making the Proposal. The statement and Proposal so included must not exceed 500 words excluding the information required by subsection (c).
- (g) A Proposal may not include nominations for the election of Trustees and a Trust Unitholder shall not have the right to make nominations at the meeting, unless such nomination is made in accordance with the provisions of Section 8.3.
- (h) The Trust shall not be required to comply with subsections (e) and (f) if:
- (i) the Proposal is submitted less than 90 days before the anniversary date of the notice of meeting that was sent to Trust Unitholders in connection with the Trust's previous annual meeting of Trust Unitholders;
 - (ii) it clearly appears that (A) the primary purpose of the Proposal is to enforce a personal claim or redress a personal grievance against the Trust, the Trustees, its officers, the Trust Unitholders or other securityholders of the Trust; or (B) the Proposal does not relate in a significant way to the business or affairs of the Trust;
 - (iii) not more than two years preceding the receipt of such Proposal, the proposing Person failed to present, in person or by proxy, at a meeting of Trust Unitholders, a Proposal that, at the Person's request, had been included in an information circular relating to a meeting of the Trust Unitholders;
 - (iv) substantially the same proposal was submitted to Trust Unitholders in an information circular relating to a meeting of the Trust Unitholders held within five years preceding the receipt of the Proposal and the matter covered by the Proposal did not receive the required support at that meeting. For the purposes hereof, the required support for a Proposal is:
 - (A) 3% of the total number of Trust Units voted, if the Proposal has been introduced at only one annual meeting of Trust Unitholders;
 - (B) 6% of the total number of Trust Units voted at the last meeting at which the matter was submitted to Trust Unitholders, if the Proposal was introduced at two annual meetings of Trust Unitholders; and

- (C) 10% of the total number of Trust Units voted at the last meeting at which the matter was submitted to Trust Unitholders, if the Proposal was introduced at three or more annual meetings of Trust Unitholders; or
- (v) the rights conferred by this Section 12.10 are being abused to secure publicity.
- (i) If a Person who submits a Proposal fails to continue to hold or own the number of Trust Units referred to in subsection (b) up to and including the day of the meeting, the Trust is not required to set out in its information circular for such meeting, or attach to it, any proposal submitted by that Person for any meeting held within two years following the date of the meeting.
- (j) Neither the Trust nor any Person acting on its behalf will incur any liability to Trust Unitholders or any other Person by reason only of circulating a Proposal or statement in compliance with this Section 12.10.
- (k) If the Trust refuses to include a Proposal in its information circular, it shall, within 21 days of the later of receipt of the Proposal or proof of ownership under subsection (d), as the case may be, notify in writing the Person submitting the Proposal of its intention to omit the Proposal from the Trust's information circular and of the reasons for the refusal.
- (l) On the application of a Person submitting a Proposal who claims to be aggrieved by the Trust's refusal under subsection (k), a court may restrain the holding of the meeting to which the Proposal is sought to be presented and make any further order it thinks fit.
- (m) The Trust or any Person claiming to be aggrieved by a Proposal may apply to a court for an order permitting the Trust to omit the Proposal from the information circular, and the Trustees, the Trust and the Trust Unitholders agree that the court, if it is satisfied that subsection (h) applies, may make such order as it thinks fit.

12.11 Court Requisitioned Meetings

- (a) A Trust Unitholder or a Trustee may apply to a court to order a meeting of the Trust Unitholders to be called, held and conducted in the manner that the court directs, if:

 - (i) it is impracticable to call the meeting within the time or in the manner in which those meetings are to be called pursuant to this Declaration of Trust;

- (ii) it is impracticable to conduct the meeting in the manner required by this Declaration of Trust; or
- (iii) the court thinks that the meeting should be called, held and conducted within the time or in the manner it directs for any other reason.
- (b) Without restricting the generality of subsection (a), the Trustees, the Trust and the Trust Unitholders agree that the court may order that the quorum required by this Declaration of Trust be varied or dispensed with at a meeting called pursuant to this Section 12.11.
- (c) A meeting called, held and conducted pursuant to this Section 12.11 is for all purposes a meeting of Trust Unitholders duly called, held and conducted.

12.12 ~~12.9~~ Appointment of Inspector

The Trustees shall call a meeting of Trust Unitholders upon the written request of Trust Unitholders holding in the aggregate not less than 25% of the Trust Units then outstanding for the purpose of considering the appointment of an inspector to investigate the performance by the Trustees of their responsibilities and duties in respect of the Trust. An inspector may be appointed for such purpose, at the expense of the Trust, at such meeting by a resolution approved by a majority of the votes cast at the meeting.

12.13 ~~12.10~~ Resolutions in Writing

Notwithstanding any other provision of this Declaration of Trust, a resolution in writing executed by Trust Unitholders holding more than ~~66-2/3%~~ 66 2/3% of the outstanding Trust Units at any time shall be as valid and binding for all purposes of this Declaration of Trust as if such Trust Unitholders had exercised at that time all of the voting rights to which they were then entitled under Section 12.5 or 12.6 in favour of such resolution at a meeting of Trust Unitholders duly called for the purpose.

ARTICLE 13 CERTIFICATES, REGISTRATION AND TRANSFER OF TRUST UNITS

13.1 Nature of Trust Units

- (a) The provisions of this Article 13 shall not in any way alter the nature of Trust Units or the relationships of a Trust Unitholder to the Trustees and of one Trust Unitholder to another but are intended only to facilitate the issuance of certificates evidencing the ownership of Trust Units if desirable to issue them to Trust Unitholders and the recording of all transactions in respect of Trust Units and Trust Unit Certificates whether by the Trust, securities dealers, stock exchanges, transfer agents, registrars or other ~~p~~Persons. The Trust Units shall be issued in the

form of the Trust Unit Certificate. A Global Trust Unit Certificate (a “Global Trust Unit Certificate”) may be issued in the name of and deposited by the Transfer Agent with, or on behalf of, CDS or a successor (collectively, the “Depository”), as custodian of such Global Trust Unit Certificate and registered by the Transfer Agent in the name of the Depository or its nominee. No purchaser of Trust Units represented by a Global Trust Unit Certificate will be entitled to a certificate or other instrument from the Trust or the Depository evidencing that purchaser's ownership thereof except in the circumstances where the Depository resigns or is removed from its responsibilities as depository and the Trustee is unable or does not wish to locate a qualified successor. Beneficial interests in a Global Trust Unit Certificate will be represented only through the Book-Entry System. Transfers of Trust Units between CDS Participants shall occur in accordance with the Depository's rules and procedures.

- (b) All references herein to actions by, notices given or payments made to Trust Unitholders shall, where such Trust Units are held through the Depository, refer to actions taken by, or notices given or payments made to, the Depository upon instruction from the CDS Participants in accordance with the Depository's rules and procedures. For the purposes of any provision hereof requiring or permitting actions with the consent of or at the direction of Trust Unitholders evidencing a specified percentage of the aggregate Trust Units outstanding, such direction or consent may be given by Trust Unitholders acting through the Depository and the CDS Participants owning Trust Units evidencing the requisite percentage of the Trust Units. The rights of a Trust Unitholder whose Trust Units are held through the Depository shall be exercised only through the Depository and the CDS Participants and shall be limited to those established by law and agreements between such Trust Unitholders and the Depository and/or the CDS Participants or upon instruction from the CDS Participants. Each of the Transfer Agent and the Trustee may deal with the Depository for all purposes (including the making of payments) as the authorized representative of the respective Trust Unitholders and such dealing with the Depository shall constitute satisfaction or performance, as applicable, towards their respective obligations hereunder.
- (c) For so long as Trust Units are held through the Depository, if any notice or other communication is required to be given to Trust Unitholders, the Trustees and the Transfer Agent will give all such notices and communications to the Depository.
- (d) If the Depository resigns or is removed from its responsibilities as depository and the Trustee is unable or does not wish to locate a qualified successor, the Depository shall surrender the Global Trust Unit Certificate to the Transfer Agent with instructions from the Depository for registration of Trust Units in the name and in the amounts specified by the Depository and the Trust shall issue and the Trustee and Transfer Agent shall execute and deliver the aggregate number of

Trust Units then outstanding in the form of definitive Trust Unit Certificates representing such Trust Units.

13.2 Trust Unit Certificates

- (a) Trust Unit Certificates shall, subject to the provisions hereof, be in such form as is authorized from time to time by the Trustees.
- (b) If issued, Trust Unit Certificates are issuable only in fully registered form.
- (c) The definitive form of the Trust Unit Certificates shall:
 - (i) be in the English language;
 - (ii) be dated as of the date of issue thereof;
 - (iii) contain the CUSIP number for the Trust Units; and
 - (iv) contain such distinguishing letters and numbers as the Trustees shall prescribe.
- (d) In the event that the Trust Unit Certificate is translated into the French language and any provision of the Trust Unit Certificates in the French language shall be susceptible of an interpretation different from the equivalent provision in the English language, the interpretation of such provision in the English language shall be determinative.
- (e) Each Trust Unit Certificate shall be signed on behalf of the Trustees and the Transfer Agent of such Trust Units. The signature of the Trustees required to appear on such certificate may be printed, lithographed or otherwise mechanically reproduced thereon and, in such event, certificates so signed are as valid as if they had been signed manually.

13.3 Contents of Trust Unit Certificates

- (a) Until otherwise determined by the Trustees, each Trust Unit Certificate shall legibly set forth on the face thereof, inter alia, the following:
 - (i) the name of the Trust and the words “A trust created under the laws of the Province of Ontario by a Declaration of Trust dated as of the 17th day of May, 2001” or words of like effect;
 - (ii) the name of the Person to whom the Trust Unit Certificate is issued as Trust Unitholder;

- (iii) the number of Trust Units represented thereby and whether or not the Trust Units represented thereby are fully paid;
 - (iv) that the Trust Units represented thereby are transferable;
 - (v) “The Trust Units represented by this certificate are issued upon the terms and subject to the conditions of the Declaration of Trust, which Declaration of Trust is binding upon all holders of Trust Units and, by acceptance of this certificate, the holder assents to the terms and conditions of the Declaration of Trust. A copy of the Declaration of Trust pursuant to which this certificate and the Trust Units represented thereby are issued may be obtained by a Trust Unitholder on demand and without fee from the head office of the Trust” or words of like effect; and
 - (vi) “For information as to personal liability of a Trust Unitholder, see the reverse side of this certificate” or words of like effect.
- (b) Until otherwise determined by the Trustees, each such certificate shall legibly set forth on the face or the reverse side thereof, inter alia, the following:
- (i) “The Declaration of Trust provides that no Trust Unitholder shall be subject to any personal liability whatsoever, in tort, contract or otherwise, to any Person in connection with the assets of the Trust or the obligations or the affairs of the Trust and all such Persons shall look solely to the assets of the Trust for satisfaction of claims of any nature arising out of or in connection therewith and the assets of the Trust only shall be subject to levy or execution”, or words of like effect; and
 - (ii) appropriate forms of notice of exercise of the right of redemption and of powers of attorney for transferring Trust Units.

The Trust Unit Certificates may be engraved, printed or lithographed, or partly in one form and partly in another, as the Trustees may determine.

13.4 Register of Trust Unitholders

A register ~~may~~shall be kept at the principal stock transfer office in Toronto, Ontario of the Transfer Agent, which register, ~~if maintained~~, shall contain the names and addresses of the Trust Unitholders, the respective numbers of Trust Units held by them, the certificate numbers of ~~certificates~~Trust Unit Certificates representing such Trust Units and a record of all transfers and redemptions thereof. Branch transfer registers shall be maintained at such other offices of the Transfer Agent as the Trustees may from time to time designate. Only Trust Unitholders whose certificates are so recorded shall be entitled to receive distributions or to exercise or enjoy the rights of Trust Unitholders hereunder. The Trustees shall have the right to treat the Person

registered as a Trust Unitholder on the register of the Trust as the owner of such Trust Units for all purposes, including, without limitation, payment of any distribution, giving notice to Trust Unitholders and determining the right to attend and vote at meetings of Trust Unitholders.

13.5 Limitation of Non-Resident Ownership

At no time may non-residents of Canada within the meaning of the Tax Act (“Non-residents”) be the beneficial owners of more than 50% of the Trust Units. For purposes of determining the percentage of Trust Units that are held by Non-residents, where any securities have been issued that are exchangeable or convertible into or for Trust Units, any such exchangeable or convertible securities that are held by Non-residents shall be deemed to have been exchanged or converted into the number of Trust Units into which or for which they are exchangeable or convertible and such Trust Units shall be deemed to be held by Non-residents. The Trustees may require declarations as to the jurisdictions in which beneficial owners of Trust Units are resident. If the Trustees become aware that the beneficial owners of 49% of the Trust Units then outstanding are, or may be, Non-residents or that such a situation is imminent, the Transfer Agent or registrar shall make a public announcement thereof and shall not accept a subscription for Trust Units from or issue or register a transfer of Trust Units to a Person unless the Person provides a declaration in form and content satisfactory to the Trustees that the Person is not a Non-resident. If notwithstanding the foregoing, the Trustees determine that a majority of the Trust Units are held by Non-residents, the Trustees may send a notice to Non-resident holders of Trust Units, chosen in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell their Trust Units or a portion thereof within a specified period of not less than 60 days. If the Trust Unitholders receiving such notice have not sold the specified number of Trust Units or provided the Trustees with satisfactory evidence that they are not Non-residents within such period, the Trustees may on behalf of such Trust Unitholders sell such Trust Units and, in the interim, shall suspend the voting and distribution rights attached to such Trust Units. Upon such sale the affected holders shall cease to be holders of Trust Units and their rights shall be limited to receiving the net proceeds of sale upon surrender of the certificates representing such Trust Units. Subject to Section 9.5, unless and until the Trustees shall have been required to do so under the terms hereof, the Trustees shall not be bound to do or take any proceeding or action with respect to this Section 13.5 by virtue of the powers conferred on it hereby. The Trustees shall not be deemed to have notice of any violation of this Section 13.5 unless and until they have been given written notice of such violation and shall act only as required by this ~~declaration~~[Declaration of Trust](#) once an indemnity is provided. The Trustees shall not be required to actively monitor the foreign holdings of the Trust. It is acknowledged that the Trustees cannot monitor the Non-resident holders of the Trust Units given that the Trust Units are registered in the name of CDS. The Trustees shall not be liable for any violation of the Non-resident ownership restriction which may occur during the term of the Trust.

13.6 Transfer of Trust Units

- (a) Subject to the provisions of this Article 13, the Trust Units shall be fully transferable without charge as between ~~p~~Persons, but no transfer of Trust Units shall be effective as against the Trustees or shall be in any way binding upon the Trustees until the transfer has been recorded on the register or one of the branch transfer registers maintained by the Trustees, the Trust or the Transfer Agent. No transfer of a Trust Unit shall be recognized unless such transfer is of a whole Trust Unit.
- (b) Subject to the provisions of this Article 13, Trust Units shall be transferable on the register or one of the branch transfer registers only by the Trust Unitholders of record thereof or their executors, administrators or other legal representatives or by their agents or attorneys duly authorized in writing, and only upon delivery to the Trust or to the Transfer Agent of the certificate therefor, properly endorsed or accompanied by a duly executed instrument of transfer or power of attorney and accompanied by all necessary transfer or other taxes imposed by law, together with such evidence of the genuineness of such endorsement, execution and authorization and other matters that may reasonably be required by the Trustees or the Transfer Agent. Upon such delivery the transfer shall be recorded on the register or branch transfer registers and a new certificate for the Trust Units shall be issued to the transferee and a new certificate for the balance of Trust Units not transferred shall be issued to the transferor.
- (c) Any Person becoming entitled to any Trust Units as a consequence of the death, bankruptcy or mental incompetence of any Trust Unitholder, or otherwise by operation of law, shall be recorded as the holder of such Trust Units and shall receive a new certificate therefor only upon production of evidence satisfactory to the Trustees or the Transfer Agent and delivery of the existing certificate to the Trustees or the Transfer Agent, but until such record is made the Trust Unitholder of record shall continue to be and be deemed to be the holder of such Trust Units for all purposes whether or not the Trustees or the Transfer Agent shall have actual or other notice of such death or other event.
- (d) Trust Unit Certificates representing any number of Trust Units may be exchanged without charge for Trust Unit Certificates representing an equivalent number of Trust Units in the aggregate. Any exchange of Trust Unit Certificates may be made at the offices of the Trust or the Transfer Agent where registers are maintained for Trust Unit Certificates pursuant to the provisions of this Article 13. Any Trust Unit Certificates tendered for exchange shall be surrendered to the Trustees or appropriate Transfer Agent and then shall be cancelled.

13.7 Trust Units Held Jointly or in a Fiduciary Capacity

Except as herein provided, the Trustees may treat two or more Persons holding any Trust Units as joint owners of the entire interest therein unless their ownership is expressly otherwise recorded on the register of the Trust, but no entry shall be made in the register or on any certificate that any Person is in any other manner entitled to any future, limited or contingent interest in any Trust Units; provided, however, that any Person recorded as a Trust Unitholder may, subject to the provisions hereinafter contained, be described in the register or on any certificate as a fiduciary of any kind and any customary words may be added to the description of the holder to identify the nature of such fiduciary relationship.

13.8 Performance of Trust

The Trustees and the Transfer Agent shall not be bound to be responsible for or otherwise inquire into or ensure the performance of any trust, express, implied or constructive, or of any pledge or equity to which any of the Trust Units or any interest therein are or may be subject, or to ascertain or enquire whether any transfer of any such Trust Units or interests therein by any such Trust Unitholder or by his or her personal representatives is authorized by such trust, pledge, or equity, or to recognize any Person as having any interest therein except for the Person recorded as Trust Unitholder.

13.9 Lost Certificates

In the event that any certificate for Trust Units is lost, stolen, destroyed or mutilated, the Trustees may authorize the issuance of a new certificate for the same number of Trust Units in lieu thereof. The Trustees may in their sole discretion, before the issuance of such new certificate, require the owner of the lost, stolen, destroyed or mutilated certificate, or the legal representative of the owner, to make an affidavit or statutory declaration setting forth such facts as to the loss, theft, destruction or mutilation as the Trustees may deem necessary, to surrender any mutilated certificate and shall require the applicant to supply to the Trust a "lost certificate bond" or a similar bond in such reasonable sum as the Trustees or the Transfer Agent may direct indemnifying the Trust for so doing.

13.10 Death of a Trust Unitholder

The death of a Trust Unitholder during the continuance of the Trust shall not terminate the Trust or any of the mutual or respective rights and obligations created by or arising under this Declaration of Trust nor give such Trust Unitholder's personal representatives a right to an accounting or take any action in court or otherwise against other Trust Unitholders or the Trustees or the Trust Assets, but shall merely entitle the personal representatives of the deceased Trust Unitholder to demand and receive, pursuant to the provisions hereof, a new certificate for Trust Units in place of the certificate held by the deceased Trust Unitholder, if any, and upon the acceptance thereof such personal representatives shall succeed to all rights of the deceased Trust Unitholder under this Declaration of Trust.

13.11 Unclaimed Distribution

In the event that the Trustees shall hold any distributable amount which is unclaimed or which cannot be paid for any reason, the Trustees shall be under no obligation to invest or reinvest the same but shall only be obliged to hold the same in a current interest bearing account pending payment to the Person or Persons entitled thereto. The Trustees shall, as and when required by law, and may at any time prior to such required time, pay all or part of such distributable amount so held to the Public Guardian and Trustees (or other appropriate government official or agency) whose receipt shall be a good discharge and release of the Trustees.

13.12 Offer for Trust Units

- (a) In this Section 13.12:
 - (i) “Dissenting Unitholder” means a Trust Unitholder who does not accept an Offer referred to in subsection 13.12(c) and includes any assignee of the Trust Unit of a Trust Unitholder to whom such an Offer is made, whether or not such assignee is recognized under this Declaration of Trust;
 - (ii) “Offer” means an offer to acquire outstanding Trust Units where, as of the date of the offer to acquire, the Trust Units that are subject to the offer to acquire, together with the Offeror's Trust Units, constitute in the aggregate 20% or more of all outstanding Trust Units;
 - (iii) “offer to acquire” includes an acceptance of an offer to sell;
 - (iv) “Offeror” means a ~~p~~Person, or two or more Persons acting jointly or in concert, who make an Offer;
 - (v) “Offeror's Notice” means the notice described in subsection 13.12(c); and
 - (vi) “Offeror's Trust Units” means Trust Units beneficially owned, or over which control or direction is exercised, on the date of an Offer by the Offeror, any Affiliate or Associate of the Offeror or any Person or company acting jointly or in concert with the Offeror.
- (b) If an Offer for all of the outstanding Trust Units (other than Trust Units held by or on behalf of the Offeror or an Affiliate or Associate of the Offeror) is made and, by such Offer, the Offeror agrees to be bound by the provisions of this Article 13, and:
 - (i) within the time provided in the Offer for its acceptance or within 45 days after the date the Offer is made, whichever period is the shorter, the Offer

is accepted by Trust Unitholders representing at least 90% of the outstanding Trust Units, other than the Offeror's Trust Units;

- (ii) the Offeror is bound to take up and pay for, or has taken up and paid for the Trust Units of the Trust Unitholders who accepted the Offer; and
- (iii) the Offeror complies with subsections 13.12(c) and 13.12(e);

the Offeror is entitled to acquire, and the Dissenting Unitholders are required to sell to the Offeror, the Trust Units held by the Dissenting Unitholders for the same consideration per Trust Unit payable or paid, as the case may be, under the Offer.

(c) Where an Offeror is entitled to acquire Trust Units held by a Dissenting Unitholder pursuant to subsection 13.12(b), and the Offeror wishes to exercise such right, the Offeror shall send by registered mail within 30 days after the date of termination of the Offer a notice (the "Offeror's Notice") to each Dissenting Unitholder stating that:

- (i) Trust Unitholders holding at least 90% of the Trust Units of all Trust Unitholders, other than Offeror's Trust Units, have accepted the Offer;
- (ii) the Offeror is bound to take up and pay for, or has taken up and paid for, the Trust Units of the Trust Unitholders who accepted the Offer;
- (iii) Dissenting Unitholders must transfer their respective Trust Units to the Offeror on the terms on which the Offeror acquired the Trust Units of the Trust Unitholders who accepted the Offer within 21 days after the date of the sending of the Offeror's Notice; and
- (iv) Dissenting Unitholders must send their respective Trust Unit Certificate(s) to the Trust within 21 days after the date of the sending of the Offeror's Notice.

(d) A Dissenting Unitholder to whom an Offeror's Notice is sent pursuant to subsection 13.12(c), shall, within 21 days after the sending of the Offeror's Notice, send his or her Trust Unit Certificate(s) to the Trust, duly endorsed for transfer, if a Trust Unit Certificate has been provided.

(e) Within 21 days after the Offeror sends an Offeror's Notice pursuant to subsection 13.12(c) the Offeror shall pay or transfer to the Trustees, or to such other Person as the Trustees may direct, the cash or other consideration that is payable to Dissenting Unitholders pursuant to subsection 13.12(b).

- (f) The Trustees, or the Person directed by the Trustees, shall hold in trust for the Dissenting Unitholders the cash or other consideration it receives under subsection 13.12(e), but such cash or other consideration shall not form any part of the Trust Assets. The Trustees, or such Persons, shall deposit cash in a separate account in a Canadian chartered bank, and shall place other consideration in the custody of a Canadian chartered bank or similar institution for safekeeping.
- (g) Within 30 days after the date of the sending of an Offeror's Notice pursuant to subsection 13.12(c), the Trustees, if the Offeror has complied with subsection 13.12(e), shall:
- (i) do all acts and things and execute and cause to be executed all instruments as in the Trustee's opinion may be necessary or desirable to cause the transfer of the Trust Units of the Dissenting Unitholders to the Offeror;
 - (ii) send to each Dissenting Unitholder who has complied with subsection 13.12(d) the consideration to which such Dissenting Unitholder is entitled under this Section 13.12; and
 - (iii) send to each Dissenting Unitholder who has not complied with subsection 13.12(d) a notice stating that:
 - (A) his or her Trust Units have been transferred to the Offeror;
 - (B) the Trustees or some other Person designated in such notice are holding in trust the consideration for such Trust Units; and
 - (C) the Trustees, or such other Person, will send the consideration to such Dissenting Unitholder as soon as practicable after receiving such Dissenting Unitholders Trust Unit Certificate(s) or such other documents as the Trustees or such other Person may require in lieu thereof,
- and the Trustee is hereby appointed the agent and attorney of the Dissenting Unitholders for the purposes of giving effect to the foregoing provisions.
- (h) Subject to applicable law, an Offeror cannot make an Offer for Trust Units unless, concurrent with the communication of the Offer to any Trust Unitholder, a copy of the Offer is provided to the Trust.

ARTICLE 14
TRUST UNITHOLDER REMEDIES

14.1 Dissent and Appraisal Rights

- (a) Subject to subsection 14.2(e), a Trust Unitholder who complies with this Section 14.1 may dissent if the Trust resolves to:
- (i) sell or otherwise dispose of Chemtrade Common Shares or Chemtrade Notes, sell all or substantially all of the Trust Assets or sell, lease or otherwise dispose of all or substantially all of the assets of Chemtrade, taken as a whole, where approval of the Trust Unitholders by Special Resolution is required as provided in subsection 9.3(b);
 - (ii) carry out a Going-Private Transaction; or
 - (iii) amend this Declaration of Trust to (A) add, change or remove any provision restricting or constraining the issue, transfer or ownership of Trust Units; (B) add, change or remove any restriction on the business that the Trust may carry on; (C) add, change or remove the rights, privileges, restrictions or conditions attached to the Trust Units of the class held by the dissenting Trust Unitholder; (D) increase the rights or privileges of any class of Trust Units having rights or privileges equal or superior to the class of Trust Units held by the dissenting Trust Unitholder; (E) create a new class of Trust Units equal to or superior to the Trust Units of the class held by the dissenting Trust Unitholder; (F) make any class of Trust Units having rights or privileges inferior to the class of Trust Units held by the dissenting Trust Unitholder superior to that class; or (G) effect an exchange or create a right of exchange in all or part of a class of Trust Units into the class of Trust Units held by the dissenting Trust Unitholder.
- (b) In addition to any other right the Trust Unitholder may have, a Trust Unitholder who complies with this Section 14.1 is entitled, when the action approved by the resolution from which the Trust Unitholder dissents becomes effective, to be paid by the Trust the fair value of the Trust Units held by the Trust Unitholder in respect of which the Trust Unitholder dissents, determined as of the close of business on the day before the resolution was adopted.
- (c) A dissenting Trust Unitholder may only claim under this Section 14.1 with respect to all the Trust Units held by the dissenting Trust Unitholder on behalf of any one beneficial owner and registered in the name of the dissenting Trust Unitholder.

- (d) A dissenting Trust Unitholder shall send to the Trust, at or before any meeting of Trust Unitholders at which a resolution referred to in subsection (a) is to be voted on, a written objection to the resolution, unless the Trust did not give notice to the Trust Unitholder of the purpose of the meeting and of the Trust Unitholder's right to dissent.
- (e) The Trust shall, within ten days after the Trust Unitholders adopt the resolution, send to each Trust Unitholder who has filed the objection referred to in subsection (d) notice that the resolution has been adopted, but such notice is not required to be sent to any Trust Unitholder who voted for the resolution or who has withdrawn its objection.
- (f) A dissenting Trust Unitholder shall, within 20 days after receiving a notice under subsection (e) or, if the Trust Unitholder does not receive such notice, within 20 days after learning that the resolution has been adopted, send to the Trust a written notice containing:

 - (i) the Trust Unitholder's name and address;
 - (ii) the number of Trust Units (and class and series, if applicable) in respect of which the Trust Unitholder dissents; and
 - (iii) a demand for payment of the fair value of such Trust Units.
- (g) A dissenting Trust Unitholder shall, within 30 days after the sending of a notice under subsection (f), send the Trust Unit Certificates representing the Trust Units in respect of which the Trust Unitholder dissents to the Trust or the Transfer Agent.
- (h) A dissenting Trust Unitholder who fails to comply with subsection (g) has no right to make a claim under this Section 14.1.
- (i) The Trust or the Transfer Agent shall endorse on any Trust Unit Certificate received under subsection (g) a notice that the holder is a dissenting Trust Unitholder under this Section 14.1 and shall return forthwith the Trust Unit Certificates to the dissenting Trust Unitholder.
- (j) On sending a notice under subsection (f), a dissenting Trust Unitholder ceases to have any rights as a Trust Unitholder other than the right to be paid the fair value of its Trust Units as determined under this Section 14.1 except where:

 - (i) the Trust Unitholder withdraws that notice before the Trust makes an offer under subsection (k);

- (ii) the Trust fails to make an offer in accordance with subsection (k) and the dissenting Trust Unitholder withdraws the notice; or
- (iii) the Trustees revoke the resolution which gave rise to the dissent rights under this Section 14.1, and to the extent applicable, terminate the related agreements or abandon a sale, lease or exchange to which the resolution relates,

in which case the Trust Unitholder's rights are reinstated as of the date the notice under subsection (f) was sent.

- (k) The Trust shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the Trust received the notice referred to in subsection (f), send to each dissenting Trust Unitholder who has sent such notice a written offer to pay for the dissenting Trust Unitholder's Trust Units in an amount considered by the Trustees to be the fair value, accompanied by a statement showing how the fair value was determined.
- (l) Every offer made under subsection (k) for Trust Units of the same class or series shall be on the same terms.
- (m) The Trust shall pay for the Trust Units of a dissenting Trust Unitholder within ten days after an offer made under subsection (k) has been accepted, but any such offer lapses if the Trust does not receive an acceptance thereof within 30 days after the offer has been made.
- (n) Where the Trust fails to make an offer under subsection (k), or if a dissenting Trust Unitholder fails to accept an offer, the Trust may, within 50 days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the Trust Units of any dissenting Trust Unitholder.
- (o) If the Trust fails to apply to a court under subsection (n), a dissenting Trust Unitholder may apply to a court for the same purpose within a further period of 20 days or within such further period as a court may allow.
- (p) The court where an application under subsection (n) or (o) may be made is a court having jurisdiction in the place where the Trust has its head office.
- (q) A dissenting Trust Unitholder is not required to give security for costs in an application made under subsection (n) or (o).

- (r) On an application under subsection (n) or (o):

 - (i) all dissenting Trust Unitholders whose Trust Units have not been purchased by the Trust shall be joined as parties and bound by the decision of the court; and
 - (ii) the Trust shall notify each affected dissenting Trust Unitholder of the date, place and consequences of the application and of the dissenting Trust Unitholder's right to appear and be heard in person or by counsel.
- (s) On an application to a court under subsection (n) or (o), the court may determine whether any other Person is a dissenting Trust Unitholder who should be joined as a party, and the court shall fix a fair value for the Trust Units of all dissenting Trust Unitholders.
- (t) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the Trust Units of the dissenting Trust Unitholders.
- (u) The final order of a court in the proceedings commenced by an application under subsection (n) or (o) shall be rendered against the Trust in favour of each dissenting Trust Unitholder and for the amount of the Trust Units as fixed by the court.
- (v) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting Trust Unitholder from the date the action approved by the resolution is effective until the date of payment.
- (w) If subsection (y) applies, the Trust shall, within ten days after the pronouncement of an order under subsection (u), notify each dissenting Trust Unitholder that it is unable lawfully to pay dissenting Trust Unitholders for their Trust Units.
- (x) If subsection (y) applies, a dissenting Trust Unitholder, by written notice delivered to the Trust within 30 days after receiving a notice under subsection (w), may:

 - (i) withdraw its notice of dissent, in which case the Trust is deemed to consent to the withdrawal and the Trust Unitholder is reinstated to their full rights as a Trust Unitholder; or
 - (ii) retain a status as a claimant against the Trust, to be paid as soon as the Trust is able to do so hereunder or, in a liquidation, to be ranked subordinate to the rights of creditors of the Trust but in priority to its Trust Unitholders.

- (y) A Trust shall not make a payment to a dissenting Trust Unitholder under this Section 14.1 if there are reasonable grounds for believing that:
 - (i) the Trust is or would after the payment be unable to pay its liabilities as they become due; or
 - (ii) the realizable value of the assets of the Trust would thereby be less than the aggregate of its liabilities.

14.2 Oppression Remedy

- (a) Any Complainant may apply to a court for remedy under this Section 14.2.
- (b) If, on application, the court is satisfied that in respect of the Trust:
 - (i) any act or omission of the Trust or Chemtrade effects a result,
 - (ii) the business or affairs of the Trust or Chemtrade are or have been carried on or conducted in a manner, or
 - (iii) the power of the Trustees are or have been exercised in a manner,

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any Trust Unitholder, securityholder, creditor, Trustee or officer, the court may make an order to rectify the matters complained of by the Complainant.
- (c) In connection with an application by a Complainant under subsection (a) and without limiting subsection (b), a court may make any interim or final order it thinks fit including, without limiting the generality of the foregoing,
 - (i) an order restraining the conduct complained of;
 - (ii) an order appointing a receiver or receiver-manager;
 - (iii) an order to regulate the Trust's affairs or those of Chemtrade by amending this Declaration of Trust or the constating documents of Chemtrade;
 - (iv) an order directing an issue or exchange of securities;
 - (v) an order appointing Trustees or directors of Chemtrade in place of or in addition to all or any of the Trustees or directors then in office;
 - (vi) an order directing the Trust or any other Person to purchase securities of a holder of securities;

- (vii) an order directing the Trust or any other Person to pay a securityholder any part of the monies that the securityholder paid for securities;
- (viii) an order varying or setting aside a transaction or contract to which the Trust or Chemtrade is a party and compensating the Trust or Chemtrade or any other party to the transaction or contract;
- (ix) an order requiring the Trust or Chemtrade, within a time specified by the court, to produce to the court or an interested Person financial statements or an accounting in such form as the court may determine;
- (x) an order compensating an aggrieved Person;
- (xi) an order directing rectification of the registers or other records of the Trust or Chemtrade;
- (xii) an order directing an investigation to be made; and
- (xiii) an order requiring the trial of any issue.
- (d) If an order made under this Section 14.2 directs an amendment of this Declaration of Trust or to the constating documents of Chemtrade, then:

 - (i) the Trustees shall request the Trust, Chemtrade and all directors, Trustees, officers and other persons responsible for management to take all steps necessary to carry out that direction; and
 - (ii) no other amendment to this Declaration of Trust or such constating documents shall be made without the consent of the court, until a court otherwise orders.
- (e) A Trust Unitholder is not entitled to dissent under this Declaration of Trust or other applicable law if an amendment to the Declaration of Trust or such constating documents is effected under this Section 14.2.
- (f) A Complainant may apply in the alternative for an order to wind up the Trust or liquidate and dissolve Chemtrade and a court may so order if the court is satisfied that it is just and equitable that such winding up, liquidation or dissolution occur.

14.3 Derivative Action

- (a) Subject to subsection (b), the Trust, the Trustees and each Chemtrade entity agree to permit a Complainant to apply to a court for leave to bring an action in the name and on behalf of: (i) the Trustees on behalf of the Trust, or (ii) any Chemtrade entity, or to intervene in an action to which any such body corporate,

trust or other entity is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the Trustees on behalf of the Trust or such Chemtrade entity, as applicable.

- (b) No action may be brought and no intervention in an action may be made under subsection (a) unless the court is satisfied that:
- (i) the Complainant has given notice to the Trustees or the directors, trustees or persons in a similar capacity of the applicable Chemtrade entity (the "Directors"), as applicable, of the Complainant's intention to apply to the court under subsection (a) not less than 14 days before bringing the application, or as otherwise ordered by the court, if the Trustees or Directors, as applicable, do not bring, diligently prosecute or defend or discontinue the action;
 - (ii) the Complainant is acting in good faith; and
 - (iii) it appears to be in the interests of the Trust or Chemtrade, as applicable, that the action be brought, prosecuted, defended or discontinued.
- (c) In connection with an action brought or intervened in under subsections (a) and (b), the court may at any time make any order it thinks fit including, without limiting the generality of the foregoing,
- (i) an order authorizing the Complainant or any other Person to control the conduct of the action;
 - (ii) an order giving directions for the conduct of the action;
 - (iii) an order directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former and present securityholders of the Trust or Chemtrade instead of to the Trust or Chemtrade; and
 - (iv) an order requiring the Trust or Chemtrade to pay reasonable legal fees incurred by the Complainant in connection with the action.

~~ARTICLE 15~~**ARTICLE 14**
TERMINATION

15.1 ~~14.1~~ Term of Trust

Subject to the other provisions of this Declaration of Trust, the Trust shall continue for a term ending 21 years after the date of death of the last surviving issue of Her Majesty, Queen Elizabeth II, alive on May 17, 2001. For the purpose of terminating the Trust by such date, the

Trustees shall commence to wind-up the affairs of the Trust on such date as may be determined by the Trustees, being not more than two years prior to the end of the term of the Trust.

15.2 ~~14.2~~ Termination with the Approval of Trust Unitholders

The Trust Unitholders may vote by Special Resolution to terminate the Trust at any meeting of Trust Unitholders duly called by the Trustees for the purpose of considering termination of the Trust, following which the Trustees shall commence to wind up the affairs of the Trust. Such Special Resolution may contain such directions to the Trustees as the Trust Unitholders determine, including a direction to distribute Chemtrade Common Shares and Chemtrade Notes and any other Trust Assets, in specie.

15.3 ~~14.3~~ Procedure Upon Termination

Forthwith upon being required to commence to wind up the affairs of the Trust, the Trustees shall give notice thereof to the Trust Unitholders, which notice shall designate the time or times at which Trust Unitholders may surrender their Trust Units for cancellation and the date at which the registers of Trust Units of the Trust shall be closed.

15.4 ~~14.4~~ Powers of the Trustees Upon Termination

After the date on which the Trustees are required to commence to wind up the affairs of the Trust, the Trustees shall undertake no activities except for the purpose of winding-up the affairs of the Trust as hereinafter provided and, for this purpose, the Trustees shall continue to be vested with and may exercise all or any of the powers conferred upon the Trustees under this Declaration of Trust.

15.5 ~~14.5~~ Sale of Investments

After the date referred to in Section ~~14.3~~,15.3, the Trustees shall proceed to wind up the affairs of the Trust as soon as may be reasonably practicable and for such purpose shall, subject to any direction to the contrary in respect of a termination authorized under Section ~~14.2~~,15.2, sell and convert into money the Chemtrade Common Shares, the Chemtrade Notes and all other Trust Assets in one transaction or in a series of transactions at public or private sales and do all other acts appropriate to liquidate the Trust, and shall in all respects act in accordance with the directions, if any, of the Trust Unitholders (in respect of a termination authorized under Section ~~14.2~~15.2). If the Trustees are unable to sell all or any of the Chemtrade Common Shares or the Chemtrade Notes or other Trust Assets by the date set for termination, the Trustees may, subject to obtaining all necessary regulatory approvals, distribute the remaining shares or other Trust Assets directly to the Trust Unitholders in accordance with their pro rata interests.

15.6 ~~14.6~~ Distribution of Proceeds or Assets

After paying, retiring or discharging or making provision for the payment, retirement or discharge of all known liabilities and obligations of the Trust and providing for indemnity against any other outstanding liabilities and obligations, the Trustees shall, subject to obtaining all necessary regulatory approvals, distribute the remaining part of the proceeds of the sale of Chemtrade Common Shares, Chemtrade Notes and other assets together with any cash forming part of the Trust Assets among the Trust Unitholders in accordance with their pro rata interests.

15.7 ~~14.7~~ Further Notice to Trust Unitholders

In the event that less than all of the Trust Unitholders have surrendered their Trust Units for cancellation within six months after the time specified in the notice referred to in Section ~~14.3~~15.3, the Trustees shall give further notice to the remaining Trust Unitholders to surrender their Trust Units for cancellation and if, within one year after the further notice, all the Trust Units shall not have been surrendered for cancellation, such remaining Trust Units shall be deemed to be cancelled without prejudice to the rights of the holders of such Trust Units to receive their pro rata share of the remaining Trust Assets, and the Trustees may either take appropriate steps, or appoint an agent to take appropriate steps, to contact such Trust Unitholders (deducting all expenses thereby incurred from the amounts to which such Trust Unitholders are entitled as aforesaid) or, in the discretion of the Trustees or Administrator, may pay such amounts into court.

15.8 ~~14.8~~ Responsibility of the Trustees after Sale and Conversion

The Trustees shall be under no obligation to invest the proceeds of any sale of investments or other assets or cash forming part of the Trust Assets after the date referred to in Section ~~14.3~~15.3 and, after such sale, the sole obligation of the Trustees under this Declaration of Trust shall be to hold such proceeds or assets in trust for distribution under Section ~~14.6~~15.6.

ARTICLE 16~~ARTICLE 15~~ SUPPLEMENTAL INDENTURES

16.1 ~~15.1~~ Provision for Supplemental Indentures for Certain Purposes

The Trustees may, without approval of the Trust Unitholders and subject to the provisions hereof, and it shall, when so directed in accordance with the provisions hereof, execute and deliver indentures or instruments supplemental hereto which thereafter shall form part hereof, for any one or more or all of the following purposes:

- (a) modifying or amending any provisions of this Declaration of Trust in the circumstances set forth in Section 11.1 where the Trustees may do so without the consent, approval or ratification of the Trust Unitholders or any other ~~p~~Person; and

- (b) modifying or amending any provisions of this Declaration of Trust where the modification or amendment has been approved by Special Resolution or, if required, with the consent of the holders of all of the Trust Units.

~~ARTICLE 17~~
~~ARTICLE 16~~
GENERAL

17.1 ~~16.1~~ Notices

- (a) Any notice or other document required to be given or sent to Trust Unitholders under this Declaration of Trust shall be given or sent through ordinary post addressed to each registered holder at his or her last address appearing on the register; provided that if there is a general discontinuance of postal service due to strike, lockout or otherwise, such notice may be given by publication twice in the Report on Business section of the National Edition of The Globe and Mail or similar section of any other newspaper having national circulation in Canada; provided further that if there is no newspaper having national circulation, then by publishing twice in the business section of a newspaper in each city where the register or a branch register is maintained. Any notice so given shall be deemed to have been given on the day following that on which the letter or circular was posted or, in the case of notice being given by publication, after publishing such notice twice in the designated newspaper or newspapers. In proving notice was posted, it shall be sufficient to prove that such letter or circular was properly addressed, stamped and posted.
- (b) Any written notice or written communication given to the Trustees shall be addressed to the Trustees at ~~Suite 301, 111~~155 Gordon Baker Road, Suite 300, Toronto, Ontario, M2H 3R1, N5, Attention: Secretary; (Facsimile: 416-496-9942), with a copy to the head office of the Trust, and shall be deemed to have been given on the date of delivery or, if mailed, five days from the date of mailing. If any such notice or communication shall have been mailed and if regular mail service shall be interrupted by strikes or other irregularities, such notice or communication shall be deemed to have been received 48 hours after 12:01 a.m. on the day following the resumption of normal mail service, provided that during the period that regular mail service shall be interrupted any notice or other communication shall be given by personal delivery or by cable, telegram, telex or other means of prepaid, transmitted or recorded communication.

17.2 ~~16.2~~ Failure to Give Notice

The failure by the Trustees, by accident or omission or otherwise unintentionally, to give any Trust Unitholder any notice provided for herein shall not affect the validity, effect or taking effect of any action referred to in such notice, and the Trustees shall not be liable to any Trust Unitholder for any such failure.

17.3 ~~16.3~~ Joint Holders

Service of a notice or document on any one of several joint holders of Trust Units shall be deemed effective service on the other joint holders.

17.4 ~~16.4~~ Service of Notice

Any notice or document sent by post to or left at the address of a Trust Unitholder pursuant to this Article shall, notwithstanding the death or bankruptcy of such Trust Unitholder, and whether or not the Trustees have notice of such death or bankruptcy, be deemed to have been fully served and such service shall be deemed sufficient service on all Persons having an interest in the Trust Units concerned.

17.5 ~~16.5 Information Available to Trust Unitholders~~ Information Available to Trust Unitholders and Other Securityholders

~~Each Trust Unitholder shall have the right to obtain, on demand and without fee, from the head office of the Trust a copy of~~

- (a) Trust Unitholders and other securityholders of the Trust and their respective personal representatives, on payment of a reasonable fee therefor and on sending the Trust or its agent or mandatary an affidavit referred to in Section 17.8 may on application require the Trust or its agent or mandatary to provide within 10 days after receipt of the affidavit a list (in this Section 17.5 referred to as the “basic list”) made up to a date not more than ten days before the receipt of the affidavit setting out the names of the Trust Unitholders, the number of Trust Units held by each Trust Unitholder and the address of each Trust Unitholder as shown in the records of the Trust.
- (b) A Person requiring the Trust to provide a basic list may, by stating in the affidavit referred to in subsection (a) that they require supplemental lists, require the Trust or its agent or mandatary on payment of a reasonable fee to provide supplemental lists setting out any changes from the basic list in the names or addresses of the Trust Unitholders and the number of Trust Units owned by each Trust Unitholder for each Business Day following the date the basic list is made up to.
- (c) The Trust or its agent or mandatary shall provide a supplemental list required under subsection (b):
 - (i) on the date the basic list is furnished, where the information relates to changes that took place prior to that date; and

- (ii) on the Business Day following the day to which the supplemental list relates, where the information relates to changes that take place on or after the date the basic list is furnished.
- (d) A Person requiring the Trust to furnish a basic list or a supplemental list may also require the Trust to include in that list the name and address of any known holder of an option or right to acquire Trust Units.

17.6 Records of the Trust

- (a) The Trustees shall cause the Trust to prepare and maintain, at its head office or at any other place in Canada designated by the Trustees, records containing:
 - (i) this Declaration of Trust and any amendments ~~thereto relating to Trust Units held by that Trust Unitholder and shall be entitled to inspect and, on payment of a reasonable fee therefor and after delivering to the Trustees a statutory declaration stating the name and address of the Person requiring the Trustees to furnish the list of Trust Unitholders and, if the Person is a body corporate, the address for service thereof, and that the list~~hereto;
 - (ii) minutes of meetings and resolutions of Trust Unitholders; and
 - (iii) a securities register which complies with Section 13.4.
- (b) Subject to subsection (c), Trust Unitholders and other securityholders of the Trust and their respective personal representatives may examine the records described in subsection (a) during normal business hours, and take extracts from the records, free of charge.
- (c) Any Person described in subsection (b) who wishes to examine the securities register of the Trust must first make a request to Trust or its agent or mandatary, accompanied by an affidavit referred to in Section 17.8. On receipt of the affidavit, the Trust or its agent or mandatary shall allow the applicant access to the securities register during the normal business hours, and, on payment of a reasonable fee, provide the applicant with an extract from the securities register.
- (d) The Trustees shall cause the Trust to prepare an alphabetical list of Trust Unitholders entitled to receive notice of a meeting, showing the number of Trust Units held by each Trust Unitholder, no later than ten days after the record date for receiving notice and for voting. A Trust Unitholder may examine the list during normal business hours at the head office of the Trust or at the place where its central securities register is maintained, and at the meeting of Trust Unitholders for which the list was prepared.

17.7 Use of Securities Register Information

A list of Trust Unitholders or information from a securities register obtained pursuant to the provisions of this Declaration of Trust shall not be used by any Person except in connection with

- (a) an effort to influence the voting of Trust Unitholders;
- (b) an offer to acquire securities of the Trust; or
- (c) any other matter relating to the affairs of the Trust.

17.8 Affidavits

An affidavit required under Section 17.5 or 17.6 shall state:

- (a) the name and address of the applicant;
- (b) the name and address for service of the body corporate, if the applicant is a body corporate; and
- (c) that the information contained in the securities register obtained pursuant to Section 17.6 or the basic list and any supplemental lists obtained pursuant to Section 17.5, as the case may be, will not be used except ~~in connection with (a) an effort to influence the voting of the holders of Trust Units, (b) an offer to acquire Trust Units, or (c) any other matter relating to the Trust Units or the affairs of the Trust, obtain a list of the Trust Unitholders for the aforesaid purposes.~~ as permitted under Section 17.7.

17.9 ~~16.6~~ Fiscal Year

The fiscal year of the Trust shall end on December 31 of each year.

17.10 ~~16.7~~ Financial Disclosure

The Trust will send to Trust Unitholders:

- (a) at least 21 days prior to the date of each annual meeting of Trust Unitholders, the annual financial statements of the Trust for the fiscal year ended immediately prior to such annual meeting, together with comparative financial statements for the preceding fiscal year, if any, and the report of the Auditors thereon referred to in Section ~~17.4~~18.4; and
- (b) within 60 days after the end of each fiscal quarter of the Trust (other than the fourth quarter of each year), unaudited quarterly financial statements of the Trust

for such fiscal quarter, together with comparative financial statements for the same fiscal quarter in the preceding fiscal year, if any.

Such financial statements shall be prepared in accordance with generally accepted accounting principles in Canada as recommended from time to time in the Handbook of the Canadian Institute of Chartered Accountants; provided that such statements and the obligations to deliver such statements may vary from such principles to the extent required to comply with applicable securities laws or securities regulatory requirements or to the extent permitted by applicable securities regulatory authorities.

17.11 ~~16.8~~ Trust Unitholder Meeting Information

Prior to each meeting of Trust Unitholders, the Trustees will provide to each Trust Unitholder, together with the notice of the meeting:

- (a) a form of proxy which can be used by a Trust Unitholder to appoint a proxy, who need not be a Trust Unitholder, to attend and act at the meeting on behalf of the Trust Unitholder, in the manner and to the extent authorized by the proxy; and
- (b) all information required by applicable law.

17.12 ~~16.9~~ Taxation Information

On or before March 15 in each year, the Trust will provide to Trust Unitholders who received distributions from the Trust in the prior calendar year, such information regarding the Trust required by Canadian law to be submitted to Trust Unitholders for income tax purposes to enable Trust Unitholders to complete their tax returns in respect of the prior calendar year.

ARTICLE 18~~ARTICLE 17~~ AUDITORS

18.1 ~~17.1~~ Qualification of Auditors

The Auditors shall be an independent recognized firm of chartered accountants which has an office in Canada.

18.2 ~~17.2~~ Appointment of Auditors

The Auditors will be selected at each annual meeting of Trust Unitholders. The Auditors will receive such remuneration as may be approved by the Trustees.

18.3 ~~17.3~~ Change of Auditors

The Auditors may at any time be removed by the Trustees with the approval of a majority of the votes cast by Trust Unitholders at a meeting of Trust Unitholders duly called for the purpose and,

upon the resignation or the removal of Auditors as aforesaid, new auditors may be appointed by a majority of votes cast by Trust Unitholders at a meeting duly called for the purpose or, in the absence of such meeting, by the Trustees.

18.4 ~~17.4~~ Report of Auditors

The Auditors shall audit the accounts of the Trust at least once in each year and a report of the Auditors with respect to the annual financial statements of the Trust shall be provided to each Trust Unitholder with the annual financial statements referred to in Section ~~16.7~~17.10.

ARTICLE 19~~ARTICLE 18~~ MISCELLANEOUS

19.1 ~~18.1~~ Counterparts

This Declaration of Trust may be simultaneously executed in several counterparts, each of which when executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterparts.

19.2 ~~18.2~~ Severability

If any provision of this Declaration of Trust shall be held invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall attach only to such provision in such jurisdiction and shall not in any manner affect or render invalid or unenforceable such provision in any other jurisdiction or any other provision of this Declaration of Trust in any jurisdiction.

19.3 ~~18.3~~ Language

Les parties aux présentes ont exigés que la présente convention ainsi que tous les documents et avis qui s'y rattachent et/ou qui en découleront soient rédigés en la langue anglaise. The parties hereto have required that this Declaration of Trust and all documents and notices resulting herefrom be drawn up in English.

IN WITNESS WHEREOF each of the parties has caused these presents to be executed as of the ~~27~~12th day of May, ~~2004~~2016.

“David Colcleugh”

DAVID COLCLEUGH

“Mark Davis”

MARK DAVIS

“Lucio Di Clemente”

LUCIO DI CLEMENTE

“David Gee”

DAVID GEE

“Susan McArthur”

SUSAN MCARTHUR

“Katherine Rethy”

KATHERINE RETHY

“Lorie Waisberg”

LORIE WAISBERG

“Louis Hollander”

LOUIS HOLLANDER

“Jim Leech”

JIM LEECH

“Lorie Waisberg”

LORIE WAISBERG

“David Colcleugh”

DAVID COLCLEUGH

Appendix B

Special Resolution of Unitholders

The following is the text of the special resolution that Unitholders are being asked to approve at the Meeting.

“BE IT RESOLVED THAT:

1. The amendments to the Amended and Restated Declaration of Trust dated May 24, 2004 of Chemtrade Logistics Income Fund (the “Fund”), as amended by the First Supplemental Declaration of Trust dated August 2, 2005 and the Second Supplemental Declaration of Trust dated March 6, 2012 (the “Declaration of Trust”), as reflected in the blackline of the Declaration of Trust in Appendix A of the Management Information Circular of the Fund dated March 3, 2016 (the “Circular”), together with any additional and/or alternative amendments that the Trustees determine to be necessary or desirable in order to more closely align certain provisions of the Declaration of Trust with corresponding provisions applicable to corporations governed by the *Canada Business Corporations Act* and effecting the substance of other ancillary changes described in the Circular (collectively, the “Amendments”), be and are hereby authorized and approved.

2. The Amendments, together with the amendments from the First Supplemental Declaration of Trust dated August 2, 2005 and the Second Supplemental Declaration of Trust dated March 6, 2012, be incorporated into a new Amended and Restated Declaration of Trust of the Fund to be dated on or about May 12, 2016 substantially in the form of Appendix A of the Circular (the “New Declaration of Trust”).

3. The Trustees are hereby authorized and directed to execute or cause to be executed on behalf of the Fund the New Declaration of Trust reflecting the foregoing changes and amendments.

4. The Trustees are hereby authorized to execute or cause to be executed on behalf of the Fund or to deliver or cause to be delivered all such documents, agreements and instruments and do or cause to be done all such other acts and things as they shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.”