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

CHEMTRADE LOGISTICS INCOME FUND

NOTICE OF ANNUAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that the annual 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 Wednesday, May 10, 2017 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, 2016 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 hold an advisory vote on whether Unitholders wish the Fund to conduct an annual advisory vote on compensation (Say on Pay) beginning with the 2018 annual meeting of Unitholders; 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 2nd day of March, 2017.

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 8, 2017 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 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 2016 financial statements of the Fund, and to hold an advisory vote on whether Unitholders wish to implement a Say on Pay vote at the 2018 annual meeting of Unitholders (the "2018 Annual Meeting of Unitholders"). Information in this Information Circular is dated as of March 2, 2017, 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 12, 2016, (the "Declaration of Trust"). The Fund holds, directly or indirectly, all of the securities of the 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. Together with the boards of directors of the subsidiaries, the Board assumes the overall stewardship responsibility for Chemtrade including for strategic planning, financial reporting integrity, risk oversight, commitment to Responsible Care, management's organization development and investor relations.

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. Units held through a broker/nominee may not be voted unless specific voting instructions are provided by the Beneficial Owner to the broker/nominee. 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, ON THE VOTING INSTRUCTION FORM YOU RECEIVED FROM YOUR INTERMEDIARY/BROKER, INSERT YOUR NAME IN THE BLANK SPACE PROVIDED FOR THE PROXYHOLDER APPOINTMENT, AND RETURN IT AS INSTRUCTED ON THE FORM TO YOUR INTERMEDIARY/BROKER. DO NOT COMPLETE THE VOTING SECTION OF THE FORM SINCE YOU WILL VOTE IN PERSON AT THE MEETING. IF THE VOTING INSTRUCTION FORM DOES NOT PROVIDE A BLANK SPACE FOR A PROXYHOLDER APPOINTMENT, PLEASE CONTACT YOUR BROKER OR AGENT WELL IN ADVANCE OF THE MEETING TO DETERMINE HOW YOU CAN MAKE ARRANGEMENT TO VOTE IN PERSON AT THE MEETING.

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 10, 2017 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 8, 2017 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; (c) by attending the meeting and voting in person or (d) in any other manner permitted by law.

Beneficial Unitholder may revoke their voting instructions (a) by providing new voting instructions to their intermediary/broker or (b) by written notice to the intermediary. Intermediaries/brokers need to receive the new voting instructions or notice sufficiently in advance of the meeting to act upon them.

Voting of Proxies

The persons named in the accompanying form of proxy or voting instruction form 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 persons will vote AGAINST the advisory vote on Say on Pay and in FAVOUR of each of the other 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 69,207,097 Units were issued and outstanding as at March 1, 2017.

At the Meeting, each Unitholder of record at the close of business on March 14, 2017, 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.

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. ("Sentry") which filed an Alternative Monthly Early Warning Report pursuant to National Instrument 62-103 dated February 10, 2017 reporting ownership of 14,483,900 Units representing approximately 20.60% of the outstanding Units as at January 2017. This securityholding percentage is a partially-diluted calculation based solely on the 1,140,000 subscription receipts acquired by Sentry through the treasury offering of 21.8 million subscription receipts by the Fund on January 27, 2017 (the "Subscription Receipt Offering"). Upon satisfaction of the escrow release conditions under the Subscription Receipt Offering, such subscription receipts shall be converted into Units, after which it is anticipated that Sentry's Unit ownership percentage will decrease on account of the subscription receipts held by all other holders being converted into Units.

MATTERS TO BE CONSIDERED AT THE MEETING

Financial Statements

The consolidated financial statements of the Fund for the period ended December 31, 2016, together with the auditors' report thereon, are contained in the 2016 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.

The following summarizes the total fees billed for audit, audit-related, tax and non-audit services during the years ended December 31, 2016 and 2015.

	Audit Fees	Audit-Related Fees	Tax Fees	Other
Fiscal 2016	$1,105,772	$42,750	$550,527	Nil
Fiscal 2015	$972,297	$25,000	$519,693	Nil

The Audit-Related Fees relate to French translation of the Fund's financial statements and Management's Discussion & Analysis. In 2016, they also included the French translation work performed on the 2016 prospectus in respect of Convertible Debentures issued in 2016. The Tax Fees relate to tax compliance services and general advisory services for the Fund's Canadian and US based operations. In 2016, they also included fees for transfer pricing tax services.

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 six. The persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, intend to vote IN FAVOUR of the election, as Trustees, of each 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. In February 2013, the Board approved a majority voting policy which was updated in February 2017. Pursuant to this policy, any Trustee who in an uncontested election has a majority of "withheld" votes shall immediately tender his or her resignation for consideration, to be effective upon acceptance by the Board. The Board shall accept the resignation absent exceptional circumstances and shall issue a news release within 90 days of the election meeting disclosing its determination, including reasons for rejecting the resignation, if applicable. The Trustee who tenders his or her resignation pursuant to this policy will not participate in any meeting of the Board at which the resignation is considered.

The following table sets forth the names of, and certain additional information for, the Nominees. The Unit value at the date of calculation used for purposes of the table below was $18.28/Unit being the closing price on March 1, 2017.

NOMINEES **Name, Age, Residence and Principal Occupation**	**Trustee Since**	**Ownership or Control over Units**(1)	**Value of Units ($)**	**Deferred Units**(2)	**Value of Deferred Units ($)**
MARK DAVIS(3)(4) Age: 58 Toronto, Ontario, Canada Chief Executive Officer, Fund	May 16, 2013	197,538	3,610,995	Nil	Nil
LUCIO DI CLEMENTE(5)(7) Age: 58 Toronto, Ontario, Canada Management Consultant & Corporate Director	July 7, 2009	1,526	27,895	24,791	453,182
DAVID GEE(3)(6)(7) Age: 69 Nobel, Ontario, Canada Corporate Director	March 19, 2007	Nil	Nil	55,729	1,018,729
SUSAN MCARTHUR(7)(8) Age: 54 Toronto, Ontario, Canada Managing Partner, GreenSoil Investments Inc.	August 8, 2012	3,800	69,464	19,037	347,998
KATHERINE RETHY(7)(9) Age: 60 Huntsville, Ontario, Canada Corporate Director	July 1, 2015	1,000	18,280	11,206	204,846
LORIE WAISBERG(10)(11) Age: 75 Toronto, Ontario, Canada Corporate Director	May 17, 2001	5,500	100,540	44,591	815,118

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) 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.

(4) Mr. Davis also serves on the board of directors of Great Canadian Gaming Corporation.

(5) Mr. Di Clemente was a director of Beyond the Rack Enterprises Inc. (now called 7098961 Canada Inc.) when it filed for protection under the Companies’ Creditors Arrangement Act (Canada) on March 24, 2016.

(6) 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.

(7) Member of the Audit Committee; the Compensation and Corporate Governance Committee and the Responsible Care Committee of the Fund.

(8) Ms. McArthur also serves on the board of directors of Great-West Lifeco Inc., First Capital Realty Inc. and IGM Financial Inc.

(9) Ms. Rethy also serves on the board of directors of Toromont Industries Ltd.

(10) Member of the Compensation and Corporate Governance Committee and the Responsible Care Committee of the Fund.

(11) Mr. Waisberg also serves on the board of directors of: Tembec Inc., Americas Silver Corporation, Metalex Ventures Ltd. and Chantrell Ventures Corp. 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.

All Nominees were re-elected as Trustees of the Fund at the 2016 Annual Meeting. Detailed results of the vote for the re-election of Nominees for 2016 are set out below:

Nominees	Votes For	%For	Votes Withheld	% Withheld
Mark Davis	40,680,241	99.55	184,745	0.45
Lucio Di Clemente	40,444,597	98.97	420,389	1.03
David Gee	40,552,410	99.24	312,576	0.76
Susan McArthur	40,327,261	98.68	537,725	1.32
Katherine Rethy	40,333,510	98.70	531,236	1.30
Lorie Waisberg	38,444,079	94.08	2,420,907	5.92

***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 IGM Financial Inc. 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 and was appointed Chair of the Compensation and Corporate Governance Committee in November 2016. Ms. Rethy is an independent corporate director. 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 and Chantrell Ventures Corp. Mr. Waisberg holds an ICD.D designation as a professional corporate director.

During 2016, the attendance record of the Nominees was as follows:

BOARD AND COMMITTEE MEETING ATTENDANCE (2016)

	Board of Trustees		**Audit Committee**		**Compensation & Corporate Governance Committee**		**Responsible Care Committee**	
Mark Davis[(1)]	10 of 10	100%	6 of 6	100%	5 of 5	100%	5 of 5	100%
Lucio Di Clemente	10 of 10	100%	6 of 6	100%	5 of 5	100%	5 of 5	100%
David Gee	10 of 10	100%	6 of 6	100%	5 of 5	100%	5 of 5	100%
Susan McArthur	10 of 10	100%	6 of 6	100%	5 of 5	100%	5 of 5	100%
Lorie Waisberg[(2)]	10 of 10	100%	6 of 6	100%	5 of 5	100%	5 of 5	100%
Katherine Rethy	9 of 10	90%	6 of 6	100%	5 of 5	100%	5 of 5	100%

NOTES:

(1) Mr. Davis attended meetings of the Audit, Compensation & Corporate Governance, and Responsible Care Committees as a guest.
(2) Mr. Waisberg attended the meetings of the Audit Committee as a guest, remaining for *in camera* sessions.

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 expertise. 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.

Advisory Vote on Say on Pay

This year Unitholders will be asked whether they wish the Fund conduct an annual advisory vote on compensation (Say on Pay) beginning with the 2018 annual meeting of Unitholders. The Board believes an annual Say on Pay vote is unnecessary for the reasons set out below, but as a significant number of public companies have adopted annual say on pay votes, and in the interests of furthering engagement with Unitholders the Board would like to solicit Unitholder views on the subject.

The Trustees view the task of setting executive compensation as one of many tasks entrusted to them to discharge in accordance with their fiduciary duties and good corporate governance practice. Unitholders who are dissatisfied with the performance of the Board in overseeing executive compensation or other Board responsibilities may elect different board members should the existing members be found lacking in the fulfilment of their duties. Moreover, 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, as Board members they are better informed of these matters and best placed 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.

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. Unitholders have the opportunity to vote "For" or "Against" the Fund adopting an annual Unitholder vote on the Fund's approach to executive compensation through the following advisory resolution:

> "RESOLVED on an advisory basis and not to diminish the role and responsibilities of the Board of Trustees that the Fund consider adopting a practice of conducting an annual Unitholder advisory vote on the Fund's approach to executive compensation as disclosed annually in the Fund's Information Circular."

The Board recommends against adopting a Say on Pay vote and therefore 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 AGAINST the above resolution.

While the vote on Say on Pay is advisory, if a majority of Unitholders vote in favour of this resolution, the Board intends to hold advisory Say on Pay vote at the 2018 Annual Meeting of Unitholders. If the Fund should adopt a practice of holding annual Say on Pay votes, any such vote will be advisory and will not be binding on the Board and the Board will remain fully responsible for its compensation decisions and will not be relieved of this responsibility by a positive or negative say on pay vote.

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 IC D-Cash performance and the achievement of pre-determined objectives. The term "IC D-Cash" is defined as D-Cash (see under the heading "Non IFRS Measures") less LTIP accruals recorded in the financial statements for the relevant period. 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, which was changed to the S&P/TSX Dividend Composite Index commencing with the 2016-2018 LTIP.

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 (as defined below under heading "Long-Term Incentive Plans") 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	• Benchmarked to at least the 50th percentile of competitive data	One year
Annual IC	To link pay with current executive performance	• Rewards for annual performance relative to IC D-Cash, corporate and personal goals and objectives	One year
LTIP	To support the creation of Unitholder value	• 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 compensation mix in respect of 2016 (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 5 trading days prior to the date of the 2016-2018 LTIP award, each in the currency in which it was paid).

	Base Salary	Annual IC	LTIP
Mark Davis	14.5%	14.5%	71%
Rohit Bhardwaj	25%	12%	63%
Leon Aarts	27%	14%	59%
Tab McCullough	27%	14%	59%
Michael St. Pierre	22%	11%	67%

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 50^{th} 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 2016, weighted at 65% of the total Annual IC award) (the "Financial Component"); and (ii) the NEOs' individual success in accomplishing personal objectives (during 2016, 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 2016 year was IC D-Cash, with the achievement of different target levels of IC D-Cash resulting in different Annual IC award payouts. IC D-Cash achievement is calculated using the greater of planned maintenance capital expenditures and actual maintenance capital expenditures spent. For the 2016 Annual IC plan, performance below a certain set threshold IC 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 IC D-Cash achieved. In 2016, the actual IC D-Cash earned by the Fund was $127.0 million, which was below the target by 4%. Because the IC D-Cash target was not met, each of the Named Executive Officers earned an award under the Financial Component of the Annual IC plan at 90% 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 2016, 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.

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
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
2016-2018 LTIP	2016	2016-2018	Q1 2019

(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 2012-2014 TR LTIP forming part of the Non-Equity Compensation amount reflected in the 2016 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 the TR LTIP, 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.

		Potential Payout (in thousands of dollars)				
TR for the Performance Period		**Tier 1(1)**	**Tier 2**	**Tier 3**	**Tier 4**	**Tier 5**
2012-2014 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
Rohit Bhardwaj Leon Aarts Tab McCullough	2012-2014 TR LTIP	$200 - <$400	$400 - <$650	$650 - <$950	$950 - <$1,250	$1,250
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% would have resulted in no payout.

Cash payouts within a Tier would have been 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, 2015-2017 LTIP and 2016-2018 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 RSUs. Each RSU is equivalent in value to a Unit. RSUs 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, 2016.

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	156,586	2,965,739
Rohit Bhardwaj	27,686	524,373
Leon Aarts	27,686	524,373
Tab McCullough	27,686	524,373
Michael St. Pierre	22,005	416,775

NOTE:

(1) Based on the December 31, 2016 closing market value of $18.94 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 TR exceeds a minimum level of TR of 21.94% for the 2013-2015 LTIP, 17.6% for the 2014-2016 LTIP, 17.27% for the 2015-2017 LTIP and 23.21% for the 2016-2018 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, 34.54% for the 2015-2017 LTIP and 46.42% for the 2016-2018 LTIP is achieved.

   (b) Relative Total Return ("RTR") – Under this component, TR will be compared with the change in the total return index value of the S&P/TSX Capped Industrial Index (or SAP/TSX Dividend Composite Index commencing with the 2016-2018 LTIP) over the Performance Period. Payouts will occur when TR exceeds the change in the total return of the S&P/TSX Capped Industrial Index or SAP/TSX Dividend Composite Index, as applicable, with maximum payouts being achieved when Chemtrade's TR exceeds that of the applicable 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 but adjusted by excluding LTIP accruals recorded in the financial statements for the relevant period) generated over the 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 2016-2018 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 2016-2018 LTIP	$0 - $250,000	$0 - $250,000	$0 - $250,000	$0 - $750,000
Leon Aarts	2013-2015 LTIP 2014-2016 LTIP 2015-2017 LTIP 2016-2018 LTIP	$0 - $250,000	$0 - $250,000	$0 - $250,000	$0 - $750,000
Tab McCullough	2013-2015 LTIP 2014-2016 LTIP 2015-2017 LTIP 2016-2018 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
	2016-2018 LTIP	$0 - $220,000	$0 - $220,000	$0 - $220,000	$0 - $660,000

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 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 retirement, death or incapacity of the participant, the participant will be considered to remain an active member of the LTIP and will be paid out as though employment continued throughout the remaining Performance Period. 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. Further, the Compensation and Corporate Governance Committee has ensured that a significant portion of NEO compensation remains at risk post retirement. By ensuring the LTIP continues to be outstanding post a retirement event and only vest over the remaining Performance Period, the NEO continues to have significant compensation at risk and subject to the success of Chemtrade for up to 2 years post retirement depending on the timing of retirement and LTIP grant (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 $18.28/Unit being the closing price on March 1, 2017. 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	4.6
Rohit Bhardwaj	2.0	2.6 [(1)]
Leon Aarts	2.0[(2)]	2.1
Tab McCullough	2.0[(2)]	1.1
Michael St. Pierre	1.0	1.0[(3)]

NOTES:

(1) For Mr. Bhardwaj this Actual Unit Investment includes the 2,000 subscription receipts acquired by him through the Subscription Receipt Offering. Upon satisfaction of the escrow release conditions under the Subscription Receipt Offering, such subscription receipts shall be converted into Units.

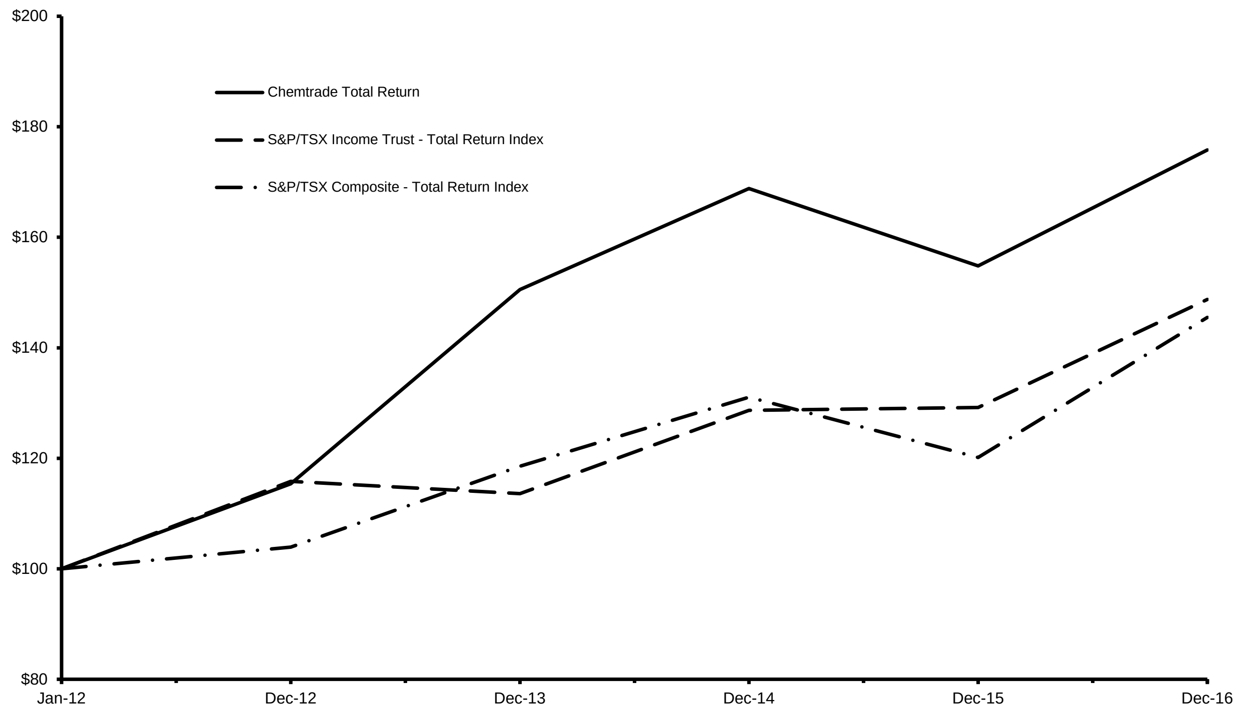
(2) For Messrs. Aarts and McCullough, the Target Unit Investment increased from 1.0 to 2.0 commencing with the 2015-2017 LTIP and therefore achievement of the Target Unit Investment of 2.0 is applicable in respect of the award pursuant to 2015-2017 LTIP payable in Q1 of 2018. For awards pursuant to 2013-2015 LTIP (paid Q1 of 2016) and 2014-2016 LTIP paid (Q1 of 2017), the Target Unit Investment remained at 1.0.

(3) For Mr. St. Pierre this Actual Unit Investment includes the 5.300 subscription receipts acquired by him through the Subscription Receipt Offering. Upon satisfaction of the escrow release conditions under the Subscription Receipt Offering, such subscription receipts shall be converted into Units.

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 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 any LTIP issued to date**.**

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, 2012.



An analysis of Unitholder total return from January 2012 to the end of December 2016 shows an increase of approximately 75% 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 26% from 2012 to 2016. For 2016, the total compensation for all NEOs expressed as percentage of EBITDA was 5%.

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 2012-2016, 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 2012-2016, 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 ($)	Total Compensation ($)
2016	780,950	855,000	2,189,339	350,000	28,030	4,203,319
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

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): 2016: $127.0 million; 2015: $142.0 million; 2014: $145.6 million; 2013: $87.6 million; and 2012: $87.2 million; and (2) Personal Component (% payout range based on achievement of goals and objectives): 2016: 144%; 2015: 142%; 2014: 150%; 2013: 150%; and 2012: 150%. The target Annual IC amounts (and IC D-Cash) for each year for Mr. Davis were as follows: 2016 - $785,000 ($132.8 million); 2015 – $760,700 ($128.1 million); 2014 – $735,000 ($142.2 million); 2013 – $595,000 ($83.4 million); and 2012 – $595,000 ($81.6 million).

(2) **2016 Year –** The amount shown under the column entitled "Long-Term Incentive Plan" for 2016 is pursuant to the payment received under the 2014-2016 LTIP for the Performance Period of 2014-2016, 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 $18.21, the weighted average Unit price for the first twenty business days after December 31, 2016. At the date of grant, 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

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, 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.

SUMMARY COMPENSATION TABLE

The following table summarizes compensation for the 2014, 2015 and 2016 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	2016	780,950	1,250,000	855,000	850,000	350,000	28,030	4,113,980
	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
Rohit Bhardwaj CFO	2016	378,333	205,000	200,000	250,000	Nil	18,902	1,052,235
	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
Leon Aarts[(5)] Group Vice-President	2016	443,333	205,000	232,750	250,000	Nil	21,147	1,152,230
	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
Tab McCullough [(5)] Group Vice-President	2016	443,333	205,000	232,750	250,000	Nil	21,147	1,152,230
	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
Michael St. Pierre Group Vice-President	2016	283,433	190,000	153,000	175,000	Nil	14,158	815,591
	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

NOTES:

(1) **2016 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, 2016. The amounts in the column entitled "Salary" reflect the actual amounts paid to the NEOs during the 2016 calendar year. The base salaries in effect for each of the NEOs as at December 31, 2016 were as follows: Mark Davis – $785,000; Rohit Bhardwaj – $380,000; Leon Aarts – U.S.$335,000; Tab McCullough – U.S.$335,000; and Michael St. Pierre – $285,000.

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.

(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 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 LTIP respectively. For the 2016-2018 LTIP, the weighted average Unit price for the first 20 days for the performance period was $15.66. 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. 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) **2016 Year -** The amounts shown under the column entitled "Long-Term Incentive Plan" are in respect of the Performance Period from January 1, 2014 to December 31, 2016 and were paid in February 2017.

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.

(4) **2016 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.

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.

(5) **2016 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 1.33, being an average exchange rate for the year.

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.

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

2016 Annual Incentive Compensation Awards

In 2016, the IC D-Cash performance was below the target for the year by 4% and as a result, the Financial Component was paid out at 90%. Each of the NEO's received at least 96% 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 2016 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 2016 Annual IC payouts (expressed as a percentage of base salary paid at the end of 2016) 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 2016 Annual IC**
Mark Davis	100%	59%	50%	$855,000
Rohit Bhardwaj	50%	29%	23%	$200,000
Leon Aarts[(1)]	50%	29%	23%	$232,750
Tab McCullough[(1)]	50%	29%	23%	$232,750
Michael St. Pierre	50%	29%	24%	$153,000

NOTE:

(1) For Messrs. Aarts and McCullough, the number in the column entitled "Actual 2016 Annual IC" column has been converted from U.S. currency to Canadian currency using an exchange rate of 1.33, 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 for the non-equity 2012-2014 TR LTIP for 2014 and the non-equity components (PMP) of the 2013-2015 LTIP for 2015 and the 2014-2016 LTIP for 2016 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

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
2014-2016 LTIP	6.92%	-24.6%	71%	Vested December 31, 2016 Paid February 2017

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. Starting in 2016, the employer matches the first 6% of voluntary contributions made by the employees on a monthly basis, for total combined contributions up to the legislated government maximums. Prior to 2016, the employer provided a basic contribution of the lesser of 4% of earnings or the legislated government maximum, and also matched 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 matching contributions to the 401(k) Plan are subject to immediate vesting.

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	1,050,000	350,000	1,400,000

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 to date has consisted of Ms. Rethy (Chair), Messrs. Colcleugh, Di Clemente, Gee, Waisberg and Ms. McArthur. Mr. Colcleugh will not stand for re-election as a Trustee in 2017. 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 2016 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. As described below (see "Risk Mitigation") 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 2016, 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 NEOs 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 75^{th} percentile of the comparator groups and base salary is comparable with at least the 50^{th} 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 $3 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	**Canadian Comparators**
Olin Corp	Superior Plus Corp.
A Schulman Inc.	Methanex Corporation
Tronix Limited	Canexus Corporation
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	

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 2016 performance goals and the individual's performance related to each for the 2016 year.

(a) Mr. Davis' performance goals and his performance related to each for the 2016 year were as follows:

MARK DAVIS, CHIEF EXECUTIVE OFFICER	
Criteria/Performance Goal	**Actual Performance**
Responsible Care Top quartile EH&S performance with recordable incidents below target of 1.0	1. Although Chemtrade in aggregate did not meet the recordable incident target, the vast majority of our sites did. More importantly, we revised our program and resources by designing a Risk Based Asset Allocation methodology and Focus Team approach. These steps are key foundations to improving our performance.
Financial Return Achieve D-Cash targets	1. The financial Distributable Cash Plan was not met for this year. We restructured a number of our business lines and successfully pursued several organic and non-organic growth opportunities which position Chemtrade for future success.
Operational Excellence Improve all processes that effect financial drivers or company risks	1. Accountabilities were assigned for key process and system improvements to ensure efficiency and scalability. 2. Continued improving the operating efficiencies and reliability of our assets by allocating the organization's capital and human resources to ensure all sites meet Chemtrade standards, and effectively implement organic growth opportunities and process improvements .
Organizational Effectiveness Improve performance of leaders	1. Engaged in an organizational review to identify and then remove structural impediments to organizational effectiveness. 2. As a result the organization was restructured to promote clarity and effectiveness.
Organizational Development Structured development for leadership and knowledge positions	1. Each NEO member given developmental opportunities to facilitate continual improvement and personal development 2. Each NEO member is similarly accountable for developing their teams. 3. Improved and enhanced performance management process and talent assessment process.
Growth Successfully pursue growth opportunities and ensure that each function and process is prepared to facilitate and integrate growth opportunities.	1. Pursued growth opportunities in the Water, KCl and adjuvants businesses. 2. Successfully pursued Canexus opportunity. 3. Restructured functions and developed the processes and systems to pursue, evaluate and then integrate desirable growth opportunities.

(b) Mr. Bhardwaj's performance goals and his performance related to each for the 2016 year were as follows:

ROHIT BHARDWAJ, CHIEF FINANCIAL OFFICER	
Criteria/Performance Goal	**Actual Performance**
Responsible Care Top quartile EH&S performance with recordable incidents below target of 1.0	1. Although Chemtrade in aggregate did not meet the recordable incident target, the vast majority of our sites did. More importantly, we revised our program and resources by designing a Risk Based Asset Allocation methodology and Focus Team approach. These steps are key foundations to improving our performance.
Financial Return Achieve D-Cash targets	1. The financial Distributable Cash Plan was not met for this year. We restructured a number of our business lines and successfully pursued several organic and non-organic growth opportunities which position Chemtrade for future success.
Operational Excellence Improve all processes that effect financial drivers or company risks	1. Accountabilities were assigned for key process and system improvements to ensure efficiency and scalability. 2. Continued improving the operating efficiencies and reliability of our assets by continuing to allocate the organization's capital and human resources to ensure all sites meet Chemtrade standards, and effectively implement organic growth opportunities and process improvements.
Organizational Effectiveness Improve performance of leaders	1. Engaged in an organizational review to identify and then remove structural impediments to organizational effectiveness. 2. As a result the organization was restructured to promote clarity and effectiveness. 3. The Finance and IT organizations were restructured to align with business needs and become more effective through process improvements. 4. Enhanced coaching and development of key direct reports.
Organizational Development Structured development for leadership and knowledge positions	1. Undertook developmental opportunities to facilitate continual improvement and personal development. 2. Developing members of the Finance and IT teams.
Growth Successfully pursue growth opportunities and ensure that each function and process is prepared to facilitate and integrate growth opportunities.	1. Pursued growth opportunities in the Water, KCl and adjuvants businesses. 2. Successfully pursued Canexus opportunity. 3. Restructured Finance and IT functions and developed the processes and systems to pursue, evaluate and then integrate desirable growth opportunities.

(c) Mr. Aarts' performance goals and his performance related to each for the 2016 year were as follows:

LEON AARTS, GROUP VICE-PRESIDENT	
Criteria/Performance Goal	**Actual Performance**
<u>Responsible Care</u> Top quartile EH&S performance with recordable incidents below target of 1.0	1. Although Chemtrade in aggregate did not meet the recordable incident target, the vast majority of our sites did. More importantly, we revised our program and resources by designing a Risk Based Asset Allocation methodology and Focus Team approach. These steps are key foundations to improving our performance.
<u>Financial Return</u> Achieve D-Cash targets	1. The financial Distributable Cash Plan was not met for this year. We restructured a number of our business lines and successfully pursued several organic and non-organic growth opportunities which position Chemtrade for future success.
<u>Operational Excellence</u> Improve all processes that effect financial drivers or company risks	1. Accountabilities were assigned for key process and system improvements to ensure efficiency and scalability. 2. Continued improving the operating efficiencies and reliability of our assets by allocating the organization's capital and human resources to ensure all sites meet Chemtrade standards, and effectively implement organic growth opportunities and process improvements. 3. Strategic plans developed for product lines. 4. Processes developed to measure customer performance against expectations for each business.
<u>Organizational Effectiveness</u> Improve performance of leaders	1. Engaged in an organizational review to identify and then remove structural impediments to organizational effectiveness. 2. As a result the organization was restructured to promote clarity and effectiveness. 3. The Commercial organization was established to set and execute business strategies and become more effective through Sales and Marketing process improvements. 4. Enhanced coaching and development of key direct reports.
<u>Organizational Development</u> Structured development for leadership and knowledge positions	1. Undertook developmental opportunities to facilitate continual improvement and personal development. 2. Developing members of the Commercial team.
<u>Growth</u> Successfully pursue growth opportunities and ensure that each function and process is prepared to facilitate and integrate growth opportunities.	1. Pursued growth opportunities in the Water, KCl and adjuvants businesses. 2. Successfully pursued Canexus opportunity. 3. Restructured to form dedicated Commercial function. Sales and business teams developed the processes and systems to pursue, evaluate and then integrate desirable growth opportunities.

(d) Mr. McCullough's performance goals and his performance related to each for the 2016 year were as follows:

TAB McCULLOUGH, GROUP VICE-PRESIDENT	
Criteria/Performance Goal	**Actual Performance**
Responsible Care Top quartile EH&S performance with recordable incidents below target of 1.0	1. Although Chemtrade in aggregate did not meet the recordable incident target, the vast majority of our sites did. More importantly, we revised our program and resources by designing a Risk Based Asset Allocation methodology and Focus Team approach. These steps are key foundations to improving our performance.
Financial Return Achieve D-Cash targets	1. The financial Distributable Cash Plan was not met for this year. We structured a number of our business lines and successfully pursued several organic and non-organic growth opportunities which position Chemtrade for future success.
Operational Excellence Improve all processes that effect financial drivers or company risks	1. Accountabilities were assigned for key process and system improvements to ensure efficiency and scalability. 2. Continued improving the operating efficiencies and reliability of our assets by allocating the organization's capital and human resources to ensure all sites meet Chemtrade standards, and effectively implement organic growth opportunities and process improvements. 3. Strategic plans developed for product lines 4. Conceived and initiated the RBAA and focus team approach to Responsible Care.
Organizational Effectiveness Improve performance of leaders	1. Engaged in an organizational review to identify and then remove structural impediments to organizational effectiveness. 2. As a result the organization was restructured to promote clarity and effectiveness. 3. The Manufacturing, Engineering and EH&S organizations were restructured to align with business needs and become more effective through process improvements. 4. Enhanced coaching and development of key direct reports.
Organizational Development Structured development for leadership and knowledge positions	1. Undertook developmental opportunities to facilitate continual improvement and personal development. 2. Developing members of the Manufacturing, Engineering and EH&S teams.
Growth Successfully pursue growth opportunities and ensure that each function and process is prepared to facilitate and integrate growth opportunities.	1. Pursued growth opportunities in the Water, KCl and adjuvants businesses. 2. Successfully pursued Canexus opportunity. 3. Restructured to form Manufacturing, Engineering and EH&S functions that developed the processes and systems to pursue, evaluate and then integrate desirable growth opportunities.

(e) Mr. St. Pierre's performance goals and his performance related to each for the 2016 year were as follows:

MICHAEL ST. PIERRE, GROUP VICE-PRESIDENT	
Criteria/Performance Goal	**Actual Performance**
Responsible Care Top quartile EH&S performance with recordable incidents below target of 1.0	1. Although Chemtrade in aggregate did not meet the recordable incident target, the vast majority of our sites did. More importantly, we revised our program and resources by designing a Risk Based Asset Allocation methodology and Focus Team approach. These steps are key foundations to improving our performance.
Financial Return Achieve D-Cash targets	1. The financial Distributable Cash Plan was not met for this year. We restructured a number of our business lines and successfully pursued several organic and non-organic growth opportunities which position Chemtrade for future success.
Operational Excellence Improve all processes that effect financial drivers or company risks	1. The organization structure was clarified and accountabilities assigned for key process and system improvements to ensure efficiency and scalability. 2. Continued improving the operating efficiencies and reliability of our assets by allocating the organization's capital and human resources to ensure all sites meet Chemtrade standards, and effectively implement organic growth opportunities and process improvements. 3. Communication strategy under development.
Organizational Effectiveness Improve performance of leaders	1. Engaged in an organizational review to identify and then remove structural impediments to organizational effectiveness. 2. As a result the organization was restructured to promote clarity and effectiveness. 3. The HR, SC&L and Purchasing organizations were restructured to align with business needs and become more effective through process improvements. 4. Enhanced coaching and development of key direct reports.
Organizational Development Structured development for leadership and knowledge positions	1. Undertook developmental opportunities to facilitate continual improvement and personal development. 2. Developing members of the Human Resources, Supply Chain & Logistics and Procurement teams. 3. Improved and enhanced Performance Management Process and talent assessment process.
Growth Successfully pursue growth opportunities and ensure that each function and process is prepared to facilitate and integrate growth opportunities.	1. Pursued growth opportunities in the Water, KCl and adjuvants businesses. 2. Successfully pursued Canexus opportunity. 3. Restructured the HR, SC&L and Purchasing functions and developed the processes and systems to pursue, evaluate and then integrate desirable growth opportunities

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, 2015 and 2016, the mandate provided by the Compensation and Corporate Governance Committee for the executive compensation-related work was to conduct a competitive review, which is delivered in December of the previous year.

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
2016	Towers Watson	$21,056	Nil

INCENTIVE PLAN AWARDS

Name	Share-based Awards – Value Vested During the 2016 Year ($)(1)	Non-Equity Incentive Plan Compensation – Value Earned During the 2016 Year ($)(2)		
		Annual IC Plans	Long-Term Incentive Plans	Total
Mark Davis	1,392,912	855,000	850,000	1,705,000
Rohit Bhardwaj	228,346	200,000	250,000	450,000
Leon Aarts(3)	228,346	232,750	250,000	482,750
Tab McCullough(3)	228,346	232,750	250,000	482,750
Michael St. Pierre	162.126	153,000	175,000	328,000

NOTES:

(1) The column entitled “Share-Based Awards – Value Vested During the 2016 Year” is composed of the number of RSU’s vested in 2016 (pursuant to the 2014-2016 LTIP) multiplied by $18.94/Unit being the closing price on the vesting date of December 31, 2016.

(2) The column entitled “Non-Equity Incentive Plan Compensation –Value Earned During the 2016 Year” is composed of the amount earned from the 2016 Annual IC plan and the amount earned in 2016 pursuant to the PMP component of the 2014-2016 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 1.33, 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, 2016.

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.

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, 2016 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 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 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, 2016.

	Termination Without Cause					
Name	**Base Salary ($)**	**Annual IC ($)**	**LTIP ($)[1]**	**Pensions ($)[2]**	**Other Benefits ($)**	**Total ($)**
Mark Davis	1,570,000	2,031,500	7,921,669	2,100,000	133,372	13,756,541
Rohit Bhardwaj	570,000	285,000	1,688,138	Nil	Nil	2,543,138
Leon Aarts[3]	668,325	334,163	1,688,138	Nil	Nil	2,690,625
Tab McCullough[3]	668,325	334,163	1,688,138	Nil	Nil	2,690,625
Michael St. Pierre	285,000	142,500	1,250,284	Nil	Nil	1,677,784

NOTES:

(1) The payouts for the 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 LTIP are based on a weighted average Unit price of $18.37 for the last twenty business days prior December 31, 2016.

(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, 2016 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 1.33 as at December 31, 2016.

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, 2016 the only applicable grants would be the awards under the LTIP.

For the 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 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 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 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, 2016.

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	1,570,000	2,031,500	7,752,206	2,100,000	133,372	13,587,077
	Change of Control	Nil	Nil	7,752,206	Nil	Nil	7,752,206
Rohit Bhardwaj		Nil	Nil	1,729,449	Nil	Nil	1,729,449
Leon Aarts		Nil	Nil	1,729,449	Nil	Nil	1,729,449
Tab McCullough		Nil	Nil	1,729,449	Nil	Nil	1,729,449
Michael St. Pierre		Nil	Nil	1,368,659	Nil	Nil	1,368,659

NOTE:

(1) The payouts for the 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 LTIP are based on a weighted average Unit price of $18.34 for the last twenty business days ending 2 business days prior to December 31, 2016.

(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, 2016 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 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 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, 2016 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, 2016.

	Retirement[1]/Death/Incapacity					
Name	Base Salary ($)	Annual IC ($)	LTIP ($)[2]	Pensions ($)[3]	Other Benefits ($)	Total ($)
Mark Davis	Nil	Nil	7,890,004	1,400,000	Nil	9,290,004
Rohit Bhardwaj	Nil	Nil	1,775,086	Nil	Nil	1,775,086
Leon Aarts	Nil	Nil	1,775,086	Nil	Nil	1,775,086
Tab McCullough	Nil	Nil	1,775,086	Nil	Nil	1,775,086
Michael St. Pierre	Nil	Nil	1,410,004	Nil	Nil	1,410,004

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 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 LTIP are based on a weighted average Unit price of $18.21 for the first twenty business days after December 31, 2016.

(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, 2016.

Termination with Cause or Resignation

All unvested and all vested but unpaid awards under the 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 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 2014-2016 LTIP, 2015-2017 LTIP and 2016-2018 LTIP if a termination with cause or resignation were to have occurred on December 31, 2016 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	2016 Total Fees Earned ($)
David Colcleugh	Chair, Compensation and Corporate Governance Committee[1]	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	Chair, Compensation and Corporate Governance Committee[1]	125,000
Lorie Waisberg	Chair, Board	150,000

(1) Mr. Colcleugh was Chair of the Compensation and Corporate Governance Committee until November 10, 2016 and was replaced by Ms. Rethy. Mr. Colcleugh will not stand for re-election as a Trustee in 2017.

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 2016 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 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. Mr. Davis does not receive any additional compensation for his role as a Trustee.

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 $18.28/Unit, being the closing price on March 1, 2017. 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[(1)]	3.0	15.7
Lucio Di Clemente	3.0	3.8
David Gee	3.0	8.1
Susan McArthur	3.0	3.4
Katherine Rethy[(2)]	3.0	1.8
Lorie Waisberg	3.0	6.1

NOTES:

(1) Mr. Colcleugh is not standing for re-election at the 2017 annual general meeting.

(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 2016 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, 2016 and includes distribution equivalents received during the year on holdings of Deferred Units.

Trustee	**Share-based Awards – Value vested during the year ($)**
David Colcleugh	213,590
Lucio Di Clemente	64,373
David Gee	99,797
Susan McArthur	111,764
Katherine Rethy	132,786
Lorie Waisberg	125,342

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, 2016. 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.

($'000)	**December 31, 2016**
Cash flows from operating activities	$ 153,009
Add (deduct):	
Changes in non-cash working capital and other items	(8,762)
Adjusted cash flows from operating activities	**144,247**
Less:	
Maintenance capital expenditures	45,240
Distributable cash after maintenance capital expenditures	**99,007**
Less:	
Non-maintenance capital expenditures [(1)]	11,554
Distributable cash after all capital expenditures	**$ 87,453**

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, 2016 to December 31, 2016, the total premium paid on the policies was $148,374. 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, 2016.

FINANCIAL INSTRUMENTS

Effective March 1, 2017, the Board approved an amendment to Chemtrade's Insider Trading Policy and Procedures to expressly incorporate an Anti-Hedging Policy, which is applicable to all Trustees, directors and employees of Chemtrade. Pursuant to the policy, unless otherwise approved by the Compensation and Corporate Governance Committee of the Fund, no Trustee, director, officer or employee of the Fund or its subsidiary entities or, to the extent practicable, any Special Relationship Person (defined as any person or his or her associate who is in a special relationship with the Fund within the meaning of applicable securities legislation) may, at any time, purchase financial instruments, including prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds, that are designed to or that may reasonably be expected to have the effect of hedging or offsetting a decrease in the market value of any securities of the Fund.

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 provides overall direction of the Chemtrade Group entities through its control of the board members of each of the Canadian Chemtrade Group. Each of the boards of directors of the Canadian Chemtrade Group entities consists of the CEO, Chief Financial Officer and Corporate Secretary of the Fund.

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.

A. 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. Section B (below) describes Chemtrade's structures and policies. This year, I specifically draw your attention to three areas:

1. ***Results-Oriented Approach*** **-** 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 and board members to attract talented strong-willed individuals with the ability to approach issues from a diverse set of perspectives than to hire individuals of a specific 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.

This same results-oriented approach has been applied to the structure of the Board itself. The independent Trustees sit on the Board and all of its committees (and the only management Trustee, Mr. Davis, attends all meetings of all of the committees). This construct provides among all Board members a common level of understanding and depth of knowledge regarding the operations of the organization, the issues that each committee is facing, and the overall strategy of the organization.

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 regularly reviewed and updated and new developments in the field are closely watched and considered, with those deemed to be value-adding for the Board and its committees being implemented.

2. ***Investor Engagement*** **-** The Board is elected by the Unitholders and represents the Unitholders in overseeing management, the performance of Chemtrade, its risk profile and its strategic direction. In addition to the regular interaction of management with investors, the Board encourages Unitholders to contact it if they have questions or concerns about governance issues (operational or day-to-day business issues should, of course, be addressed by management). Investors should refer to the Investor Engagement Policy on Chemtrade's website for the range of matters the Board may discuss with Unitholders and how to contact the Board.

3. ***Say on Pay Vote*** – As discussed above (see "MATTERS TO BE CONSIDERED AT THE MEETING - Advisory Vote on Say on Pay"), the Unitholders will be given the opportunity to vote on whether they consider a Say on Pay vote desirable (i.e. allowing Unitholders a non-binding or advisory vote on the NEOs' compensation). If the majority vote in favour of a Say on Pay vote, then such a vote will be held at the 2018 Annual General Meeting.

   <u>The Trustees recommend that Unitholders vote AGAINST having a Say on Pay vote.</u>

   The Board and the Compensation and Corporate Governance Committee has discussed on several occasions the advantages and disadvantages of adopting Say on Pay policy (i.e. an annual non-binding or advisory vote by Unitholders on the NEOs' compensation). The reasons are set out in further detail above (see "MATTERS TO BE CONSIDERED AT THE MEETING - Advisory Vote on Say on Pay") but essentially, the Trustees view the task of setting executive compensation as a complex weighing of qualitative and quantitative factors which Board members are the best placed to perform. Furthermore, the setting of executive compensation is a core duty of the Board. However, just as the Board is interested in engaging with investors on any number of topics of relevance to Chemtrade, including executive compensation, the Board members are interested in hearing if Unitholders would like to have a Say on Pay vote and therefore such a vote is being held at the upcoming Annual General Meeting.

   I look forward to seeing you at the Meeting.

   Lorie Waisberg, Chair, Board of Trustees

B. Structures and Policies Supporting Good Governance Practices

1. 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 2016. The text of the Board Mandate is attached as Schedule A.

2. 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.

The Charters of all of these committees are available at www.chemtradelogistics.com.

3. Independence

(a) Board Members Independent

All of the Trustees are nominated for re-election as contemplated by this Information Circular. 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. All but one of the Trustees is "independent" as that term is defined in NI 58-101 and NP 58-201. 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 and is not one of the relationships which are deemed to be material relationships under 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.

(b) 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 helps ensure that the Trustees appropriately discharge their responsibilities and who, as necessary, appoints an independent Trustee delegate to act in his absence; and who chairs regular meeting with the independent Trustees without Mr. Davis or other management present. Each Committee Charter requires periodic meetings without management present and in addition, any Trustee can request such a meeting at any time. Since the six 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 2016, the Board and all of the Committees held 23 in camera meetings where only the independent Trustees were present. This figure represents all of the Board and Committee meetings (including the quarterly reviews of financial statements for the Board and Audit Committee); excepting two Board meetings and one Audit Committee meeting that did not have *in camera* sessions as they which were held by conference call.

(c) 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 Audit Committee Chair attends a meeting of Chemtrade's internal control group twice a year and reports to the Committee on his observations. Other Board members are also invited to attend the meetings at their discretion. 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 2016. 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.

4. 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) review and oversight of the Chemtrade Group's commitment to the Responsible Care ethic;

(d) 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;

(e) approval and review as appropriate of the Fund's investor relations and disclosure policies; and

(f) through the Fund's Audit Committee, assessment of the integrity of internal controls and relevant management information systems.

5. 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 2017. 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.

6. **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.

7. **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 participate in an annual evaluation consisting of the following elements:

(a) *Written Assessment* **–** each Trustee, as well as certain members of management, participate in a written, non-attributable evaluation covering the topics discussed above;

(b) *360 Degree Peer Evaluation* – each Trustee evaluates each other Trustee, as well as himself/herself, on various criteria, including a Trustee's contribution to Board meetings, ability to question management, accountability, and understanding of Chemtrade's strategy and vision.

(c) *Board Skills Matrix* **–** each Trustee reviews the matrix annually and provides any necessary updates. The results of the matrix are set out below (see "Matters Important to Unitholder Voting - Nominations of Trustees");

(d) *Interview* – after the above-noted evaluations have been completed and a summary reviewed by the Board Chair, the Chair interviews each of the Trustees.

Each year the Corporate Secretary receives from each Trustee the responses to the written assessment, 360 degree peer evaluation and Board skills matrix and prepares a non-attributable summary. The summary is reviewed first by the Board Chair who then conducts one-on-one interviews of the Trustees in order to elicit more detailed observations and to discuss individual results. At the next meeting of the Compensation and Corporate Governance Committee, the summary results of the various evaluations are presented and discussed and the Committee considers 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.

8. 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.

The Board recognizes the importance of ongoing education for Trustees in order to ensure that they stay current on relevant issues such as corporate governance, financial and accounting practices and corporate ethics. Chemtrade and all of the Trustees are members of the Institute of Corporate Directors ("ICD") and Chemtrade pays the cost of this membership. In addition, each Trustee has an annual budget of $2,500 to spend on continuing education. The Trustees are also regularly briefed on strategic issues facing the organization, including annual assessments of Chemtrade's competitive environment and other developments that could materially affect its business, the last such review taking place in January 2017. The briefings are conducted by the CEO, CFO and other members of senior management, as well as by external advisors to the organization.

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.

9. Strategic Planning Oversight

The Board has the responsibility to oversee the development and progress in execution of Chemtrade's strategy. At each quarterly meeting of the Board, time is set aside to discuss with management, and separately during *in camera* sessions, the overall strategic direction and objectives. In particular, the Board focuses on discussing and analysing any growth opportunities that have arisen, the execution and integration of growth opportunities, as well as risks facing the business (as described further below). The Board has also considered and does consider the merits, risks and likelihood of success of Chemtrade's business model, capital structure and growth initiatives.

Annually, as part of the meeting to approve the financial plan for the upcoming year, management presents upcoming challenges and opportunities for each product line, business, function and capital structure. The Board reviews, challenges and approves the annual budget. During the year, management provides quarterly reports that facilitate the Board's assessment of the Trust's performance against its stated business objectives. The goals and objectives of the NEOs are designed to align with Chemtrade's strategy and provide the Board with appropriate metrics to measure execution success.

10. Risk Mitigation

The Board is responsible to take reasonable steps to ensure that management identifies, understands and evaluates the principal risks of and to Chemtrade's business and implements appropriate systems to mitigate or otherwise manage those risks. The Board attends to these responsibilities in a variety of manners, including:

(a) *Operational Risk/Responsible Care Committee* – as an operator of chemical facilities, the gravest risks facing Chemtrade stem from its operations. Risks facing chemical operations include, among others: the potential for an accidental release of product into the air, ground, groundwater or water source with attendant harm to the environment and injury to people; the risk of accidental release during transportation; the risk of attack or breach of security; and product liability. To mitigate these risks, management follows the ethic of Responsible Care®, which is Chemtrade's commitment to do and be seen as doing the "right thing". The Responsible Care principles form the basis of Chemtrade's business philosophy towards societal, economic and environmental sustainability. In order to embed this philosophy into the day-to-day fabric of the organization, management has put into place various policies, systems, procedures and tools that it continues to expand and improve. Acting as a unifying force over these various systems and tools is the RC14001 management system. The RC14001 management system is audited annually by a third party auditor and its compliance to the Responsible Care codes of practice is also verified by a third party every three years and is assessed internally on a quarterly basis by established Responsible Care code teams.

The Responsible Care Committee was formed specifically to focus on such operational risks. Each quarter, the Responsible Care Committee reviews a management report regarding Chemtrade's environmental, health, safety and security performance and it in turn reports to the Board. The Committee's oversight includes ensuring that the procedures and tools in place are appropriate and effective.

(b) *Incentive Risk/Compensation and Corporate Governance Committee* - 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 2016, 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).

An example of this last point is shown in the table entitled "Potential Payout - PMP" on page 18, where EBITDA achieved exceeded target by 41% (2013-2015 LTIP) and by 71% (2014-2016 LTIP), but the payout to the NEOs was capped at the maximum which is achieved when the EBITDA exceeds target by 10%. Furthermore, the quantum of long term compensation available to the NEOs significantly exceeds the quantum of their short term compensation, thus promoting longer term focus and actions (see table relating to planned compensation mix on page 13, where the LTIP portion for each NEO makes up at least 59% of the total direct compensation whereas the short term IC is at most 14.5%). Another example of steps taken to ensure that compensation is motivating appropriate management behaviour can be found in the Board's decision to calculate the incentive compensation of the NEOs and all other employees based on Distributable cash calculated by taking the greater of actual or budgeted capital expenditures. In this manner, the decision to direct funds to a particular project or maintenance activity is not motivated by the decision maker's personal gain.

(c) *Financial and Business Risks/Audit Committee* – Each quarter, management reports to the Audit Committee on the results of its internal controls testing. Additionally, twice a year, the Chair of the Audit Committee attends a meeting with management to review enterprise risk management, as well as a meeting of the internal controls testing personnel. Other board members are also invited to attend at their discretion. This facilitates an understanding of the methodology used by management to report on and assess financial results and business risks. The Chair reports on his observations to the Audit Committee at the next meeting and during 2016, no concerns were raised. Finally, each quarter, the Audit Chair meets with the audit partner prior to the Audit Committee meeting, and as part of the Audit Committee meeting, the Committee holds an *in camera* session with the auditors.

(d) *Enterprise-Wide Risks/Board of Trustees* - Periodically but at least biennially, the Board reviews enterprise-wide risks and mitigation strategies. The process undertaken for such review begins with management conducting an in-depth survey of all potential risks with each business and functional area. Each risk is then ranked according to its severity and probability of occurrence and then the existence of any mitigating factors is assessed and taken into account. From this exercise, a severity-ranked risk inventory is compiled and presented to the Board. The Board has considered on numerous occasions, and continues to assess, whether the frequency of this exercise (currently taking place once every two years) is appropriate. At this time, the Board has elected to retain the biennial review timing in order to ensure that management is able to take a fresh approach to each review and thus conduct a thorough and in-depth review each time.

In addition to the biennial exercise, the Board is privy to the periodic reports of the Committees described above (on compensation incentive risk, financial risks and operational risks), which also helps the Board fulfil its risk oversight mandate.

11. Succession Planning

The Board recognizes the importance of succession planning, both at the executive level and at every level across the organization. Management has developed a three-pronged plan pursuant to which (i) each manager is assessed as part of the annual performance evaluation on his or her progress in developing the people reporting to him or her; (ii) programs to support the managers in such development, including training and education programs have been put in place; and (iii) management seeks cross-training and advancement opportunities within the organization. Management has recognized that while finding opportunities for internal promotion and cross-training had at one time been challenging, now that Chemtrade has grown significantly in size and scale through acquisitions, these opportunities now exist and should be leveraged.

At the executive level, the Board emphasizes that each NEO's success depends in part on developing the leadership capabilities of the NEO's direct reports and other people he is responsible for. Periodically, the Board invites each NEO to present the leadership opportunities that have been provided to each of the NEO's direct reports during the past year. In addition, the Compensation and Corporate Governance Committee has decided to include the topic of succession planning on its agenda for each meeting in the 2017 year.

12. **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) 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 2016. The Audit Committee also reviews annually the Compliance Line procedures, with the last such review occurring in November 2016.

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).

13. 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 five 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.

C. Matters Important to Unitholder Voting

1. 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 size was set at 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 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 in 2015 used an external search firm to identify appropriate candidates when searching for its seventh Trustee. In future searches, the Board intends to continue to use an external search firm and to require the inclusion of at least one candidate that adds gender diversity to the current Board in the proposed list of candidates. The CEO, as one of the Board members, 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, skills, character and commitment 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 was last updated in August 2016, outlines the matrix of skills and competencies of each Trustee.

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

Based on the talent already represented on the Board, the Compensation and Corporate Governance Committee then identifies the specific, skills, character and commitment 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, integrity, accountability, 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.

2. Majority Voting Policy

In February 2013, the Board approved a majority voting policy which was updated in February 2017. Pursuant to this policy, any Trustee who in an uncontested election has a majority of "withheld" votes shall immediately tender his or her resignation for consideration, to be effective upon acceptance by the Board. The Board shall accept the resignation absent exceptional circumstances and shall issue a news release within 90 days of the election meeting disclosing its determination, including reasons for rejecting the resignation, if applicable. The Trustee who tenders his or her resignation pursuant to this policy will not participate in any meeting of the Board at which the resignation is considered.

3. **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.

There is also a requirement that each Trustee (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 current hold levels of each Trustee are set out above (see "TRUSTEE COMPENSATION – "Trustee Hold Requirements")

4. Investor Engagement

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 communicate with the Chair or CEO and reminds them that a Compliance Line is also available in case of wrong-doing or other concerns more appropriately addressed anonymously.

5. 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, 2017, 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 are two female members of the Leadership Team, representing 22% 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"). However, the Fund intends to require that the candidate list put forth for the next opening on the Board include at least one candidate that adds gender diversity to the current Board. Similarly, the Fund has not set specific gender representation targets for executive officers but intends, when considering senior positions, that at least one potential candidate in the pool should add gender diversity to the senior ranks. The evaluation of potential candidates as trustees and executives is based upon merit, diversity of thought and experience.

6. **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 term-limit driven change of Board members. Furthermore, the risk of an individual Trustee underperforming is dealt with using a rigorous Board assessment process as described above (see "Structures and Policies Supporting Good Governance Practices – Trustee Assessment"), together with strong leadership from the Chair.

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, 2016, the Fund's Management Discussion & Analysis for the year ended December 31, 2016 and the Fund's 2016 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 2016 Annual Information Form.

Financial information is provided in the Fund's comparative annual financial statements and management's discussion and analysis for 2016.

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 2016 together with the report of the auditors thereon, management's discussion and analysis of the Fund's financial condition and results of operations for 2016, 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

"Susan M. Paré"
Susan M. Paré
Corporate Secretary

Toronto, Ontario
March 2, 2017

Schedule A

Board Mandate

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; develop the Fund’s approach to corporate governance, including the expectations and responsibilities of Trustees; and

10. 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.