



ENBRIDGE INCOME FUND

Annual and Special Meeting of Holders of

Ordinary and Subordinated Units

To be held on May 1, 2006

In Toronto, Ontario

NOTICE OF MEETING AND

INFORMATION CIRCULAR

March 1, 2006

ENBRIDGE INCOME FUND

(an unincorporated open-ended trust created under the laws of the Province of Alberta)

NOTICE OF MEETING OF HOLDERS OF ORDINARY AND SUBORDINATED UNITS

The annual and special meeting (the "**Meeting**") of the holders ("**Unitholders**") of ordinary and subordinated units (collectively, the "**Trust Units**") of Enbridge Income Fund (the "**Fund**") will be held on Monday, May 1, 2006 at 1:30 p.m. (Toronto time) in The Quebec Room of The Fairmont Royal York Hotel, 100 Front Street West, Toronto, Ontario, for the purposes of:

1. receiving the consolidated financial statements of the Fund for the fiscal period ended December 31, 2005, together with the report of the auditors thereon;
2. appointing auditors of the Fund and authorizing the trustees of Enbridge Commercial Trust ("**ECT**") to fix their remuneration;
3. directing and instructing CIBC Mellon Trust Company (the "**Fund Trustee**"), the sole trustee of the Fund, as to the manner in which the Fund Trustee shall vote the units of ECT held by the Fund to: (a) elect the trustees of ECT who are unrelated to Enbridge Management Services Inc., the administrator of the Fund (the "**Administrator**"); and (b) if the ECT Auditor Resolution (as defined below) is not approved, appoint ECT's auditors for the ensuing year and authorize the trustees of ECT to fix their remuneration;
4. considering and, if thought fit, passing a special resolution to: (a) approve certain amendments to the trust indenture of the Fund to broaden the scope of permitted activities that may be carried on by the Fund; and (b) direct and instruct the Fund Trustee to vote the units of ECT held by the Fund to approve similar amendments to the trust indenture of ECT, (the "**Business Scope Resolution**"), all as more particularly described in the Fund's information circular dated March 1, 2006 (the "**Circular**");
5. considering and, if thought fit, passing with or without variation, an ordinary resolution continuing, ratifying, confirming and approving the Fund's Unitholder Rights Plan (the "**Rights Plan Resolution**");
6. considering and, if thought fit, passing a special resolution to: (a) approve certain amendments to the trust indenture of the Fund to remove the existing requirement to appoint an auditor of ECT; and (b) direct and instruct the Fund Trustee to vote the units of ECT held by the Fund to approve similar amendments to the trust indenture of ECT (the "**ECT Auditor Resolution**"), all as more particularly described in the Circular; and
7. transacting such other business that may properly come before the Meeting or any adjournment thereof.

The Administrator has fixed March 14, 2006 as the record date for determining those Unitholders entitled to receive notice of and to vote at the Meeting. The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting, including the full text of the Business Scope Resolution, the ECT Auditor Resolution and the Rights Plan Resolution, and forms part of this notice.

The quorum for the Meeting is one or more individuals present in person and being Unitholders, or representing, by proxy, Unitholders, and who hold in the aggregate not less than 5% of the outstanding Trust Units.

To be effective, proxies must be deposited with the Fund, c/o CIBC Mellon Trust Company, 200 Queens Quay East, Unit #6, Toronto, Ontario, M5A 4K9, Attention: Proxy Department, not later than 4:00 p.m. (Toronto time) on April 27, 2006, or, if the Meeting is adjourned, not later than 24 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Alberta, prior to the time of any adjournment thereof.

Dated at Calgary, Alberta, this 1st day of March, 2006.

By order of ENBRIDGE INCOME FUND,
by its Administrator,
ENBRIDGE MANAGEMENT SERVICES INC.

A handwritten signature in cursive script, appearing to read "James E.R. Lord".

JAMES E.R. LORD
Corporate Secretary,
Enbridge Management Services Inc.

ENBRIDGE INCOME FUND

INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by or on behalf of Enbridge Income Fund (the "**Fund**") by CIBC Mellon Trust Company, sole trustee of the Fund (the "**Fund Trustee**") pursuant to the amended and restated trust indenture of the Fund made as of August 18, 2003 (the "**Fund Trust Indenture**"), and by Enbridge Management Services Inc., the administrator of the Fund (the "**Administrator**"), to be used at the annual and special meeting (the "**Meeting**") of the holders (the "**Unitholders**") of ordinary and subordinated units (collectively, the "**Trust Units**") of the Fund, and any adjournment thereof. The Meeting will be held on Monday, May 1, 2006 at 1:30 p.m. (Toronto time) in The Quebec Room of The Fairmont Royal York Hotel, 100 Front Street West, Toronto, Ontario, for the purposes set forth in the accompanying notice of meeting (the "**Notice of Meeting**"). Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, facsimile or oral communication by the Fund Trustee and by officers of the Administrator. The cost of such solicitation will be borne by the Administrator and reimbursed by the Fund.

The Administrator has fixed March 14, 2006 as the record date for determining those Unitholders entitled to receive the Notice of Meeting and to vote at the Meeting.

The information contained in this Circular is given as at March 1, 2006, unless otherwise indicated.

VOTING OF TRUST UNITS

General

On a show of hands, every Unitholder present in person or represented by proxy (and entitled to vote) has one vote. On a poll or ballot, every Unitholder present in person or by proxy has one vote for each Trust Unit held. On any ballot that may be called for, the persons designated in the enclosed form of proxy will vote for or against or withhold from voting the Trust Units in respect of which they are appointed by proxy in accordance with instructions of the Unitholder indicated on the proxy. In the absence of instructions with respect to a particular resolution, the Trust Units will be voted in favour of the resolution as indicated under the appropriate heading in this Circular.

The enclosed form of proxy confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and other matters that may properly come before the Meeting. At the date of this Circular, the Fund Trustee and the Administrator are not aware of amendments, variations or other matters to come before the Meeting, except those which are indicated in the Notice of Meeting.

Voting by Beneficial Unitholders

As a result of the Fund's registration system, all holders of ordinary units of the Fund are beneficial holders ("**Beneficial Unitholders**") and all of the Fund's outstanding ordinary units are registered under the name of CDS & Co. CDS & Co. is an entity that acts as a clearing agent for intermediaries (each an "**Intermediary**") such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans.

Ordinary units of the Fund held by Intermediaries can only be voted (for or against or withheld from voting on resolutions) upon the instructions of the Beneficial Unitholder. The Fund does not know for whose benefit the Trust Units registered in the name of CDS & Co. are held.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Fund has distributed the Notice of Meeting, the Circular and the form of proxy, (collectively, the "**Meeting Materials**") and the Fund's annual report, which includes management's

discussion and analysis and the consolidated financial statements for the period ended December 31, 2005, (collectively the "**Financial Materials**") to CDS & Co. and the Intermediaries for distribution to Beneficial Unitholders.

Intermediaries are required to forward the Meeting Materials and Financial Materials to Beneficial Unitholders unless a Beneficial Unitholder has waived the right to receive them. Often, Intermediaries will use service companies to forward these materials to Beneficial Unitholders. Generally, Beneficial Unitholders who have not waived the right to receive Meeting Materials will be given either:

- (a) a voting instruction form ("**Voting Instruction Form**") which must be completed and signed by the Beneficial Unitholder in accordance with the directions on the Voting Instruction Form and returned to the Intermediary (or its agent). In some cases, the completion of the Voting Instruction Form by telephone, the internet, or facsimile is permitted; or
- (b) a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Trust Units beneficially owned by the Beneficial Unitholder but which is otherwise not completed. This form of proxy need not be signed by the Beneficial Unitholder. In this case, the Beneficial Unitholder who wishes to submit a proxy should otherwise properly complete the form of proxy and deliver it to the Fund or its transfer agent as set out in the Notice of the Meeting.

The purpose of these procedures is to permit Beneficial Unitholders to direct the voting of the Trust Units that they beneficially own. A Beneficial Unitholder receiving a Voting Instruction Form cannot use that Voting Instruction Form to vote Trust Units directly at the Meeting as the Voting Instruction Form must be returned as directed by the Intermediary (or its agent) well in advance of the Meeting in order to have the Trust Units voted. Although Beneficial Unitholders may not be recognized directly at the Meeting for the purposes of voting Trust Units registered in the name of CDS & Co., a Beneficial Unitholder may attend the Meeting as proxyholder for the registered Unitholder and vote their Trust Units in that capacity. Beneficial Unitholders who wish to attend the Meeting and indirectly vote their own Trust Units as proxyholder for the registered Unitholder should enter their own names in the blank space on the form of proxy or Voting Instruction Form provided to them and return the same to their Intermediary (or agent) well in advance of the Meeting in accordance with the instructions provided by such Intermediary (or agent).

Beneficial Unitholders who receive Voting Instruction Forms, forms of proxies or other voting materials from an Intermediary (or its agent) should complete and return such form of proxies or voting materials in accordance with the instructions on such materials, including those instructions regarding when and where the proxy or proxy authorization form is to be delivered, in order to properly vote their Trust Units at the Meeting.

APPOINTMENT OF PROXIES

To be effective, proxies must be deposited with the Fund, c/o CIBC Mellon Trust Company, 200 Queens Quay East, Unit #6, Toronto, Ontario, M5A 4K9, Attention: Proxy Department, not later than 4:00 p.m. (Toronto time) on April 27, 2006, or, if the Meeting is adjourned, not later than 24 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Ontario, prior to the time of any adjournment thereof.

The persons named as proxyholders in the enclosed form of proxy are trustees of Enbridge Commercial Trust ("ECT"). Beneficial Unitholders who wish to appoint some other person as his or her representative at the Meeting should strike out the names of the designated proxyholders in the form of proxy and enter their own names in the blank space on the form of proxy or Voting Instruction Form provided to them and return the same to their Intermediary (or its agent) well in advance of the Meeting in accordance with the instructions provided by such Intermediary (or agent).

REVOCATION OF PROXIES

A Unitholder who has given a proxy has the power to revoke it before the proxy is exercised. A Unitholder may revoke the proxy with an instrument in writing, including another proxy, signed and delivered to the Fund Trustee as provided above. The document used to revoke a proxy must be in writing and completed and signed by the Unitholder or his or her attorney authorized in writing or, if the Unitholder is a corporation, under its corporate seal or by an officer or duly authorized attorney thereof. Prior to the exercise of such proxy on any particular matter, a Unitholder may also revoke a proxy in any other manner permitted by law.

A Beneficial Unitholder who wishes to revoke a proxy should follow any revocation instructions set forth on the form of proxy or Voting Instruction Form provided by them by their Intermediary (or its agent).

EXERCISE OF DISCRETION WITH RESPECT TO PROXIES

The Trust Units represented by the enclosed proxy will be voted for or against, or withheld from voting, on any motion, by ballot or otherwise, in accordance with any indicated instructions. **In the absence of such direction, such Trust Units will be voted FOR the resolutions referred to in items one through six of the proxy.** If any amendment or variation to the matters identified in the Notice of Meeting is proposed at the Meeting or any adjournment thereof, or if any other matters properly come before the Meeting or any adjournment thereof, the enclosed proxy confers discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the appointed proxyholder. As at the date of this Circular, neither the Fund Trustee nor the Administrator are aware of any amendments or variations or other matters to come before the Meeting.

PRINCIPAL HOLDERS OF TRUST UNITS AND RECORD DATE

The only registered Unitholders of the Fund are CDS & Co. and Enbridge Inc. To the best of the knowledge of the officers of the Administrator, no person beneficially owns or exercises control or direction over Trust Units which carry more than 10% of the voting rights attached to all Trust Units other than Enbridge Inc. which owns 14,500,000 subordinated units representing 41.9% of the votes attaching to all of the Trust Units.

Holders of record of Trust Units as of the close of business on March 14, 2006 are entitled to receive notice of and vote at the Meeting. As of the close of business on March 1, 2006, there were 20,125,000 ordinary units and 14,500,000 subordinated units issued and outstanding. No person who becomes a Unitholder after March 14, 2006 will be entitled to vote at the Meeting or any adjournment thereof.

MATTERS TO BE ACTED UPON AT THE MEETING

Receipt of Financial Statements

The audited consolidated financial statements of the Fund for the year ended December 31, 2005 will be presented at the Meeting.

Appointment of Auditors of the Fund

PricewaterhouseCoopers LLP, Chartered Accountants ("**PwC**"), have been acting as auditors of the Fund since its inception. The trustees of ECT (the "**ECT Trustees**"), on recommendation from the Audit Committee (as defined herein), recommend the re-appointment of PwC as auditors of the Fund.

The persons named in the enclosed form of proxy intend to vote in favour of the resolution appointing PwC as auditors of the Fund to hold office until the next annual meeting of Unitholders or until their successors are appointed, and authorizing the ECT Trustees to fix the remuneration of the auditors, unless the Unitholder who has given the proxy has directed that the Trust Units represented thereby be withheld from voting in respect of the appointment of auditors of the Fund.

Additional information relating to the Audit Committee and remuneration of PwC is contained in the Fund's Annual Information Form dated March 1, 2006 (the "AIF"), under the headings "Fund Trustees, Management And Audit Committee -The Audit Committee" and " Fund Trustees, Management And Audit Committee - External Auditor Service Fees". The Fund's AIF is filed on SEDAR at www.sedar.com.

Election of Independent Trustees

Directions to the Fund Trustee

The Fund is the only holder of voting trust units of ECT (the "**ECT Units**"). Under the Fund Trust Indenture, Unitholders must, by way of an ordinary resolution passed by the affirmative votes of the holders of more than 50% of the votes cast by Unitholders, direct and instruct the Fund Trustee as to the manner in which the Fund Trustee shall vote the ECT Units to elect Independent ECT Trustees (as hereinafter defined), and, if the ECT Auditor Resolution (as hereinafter defined) is not approved, appoint the auditors of ECT and authorize the ECT Trustees to fix their remuneration.

The amended and restated trust indenture of ECT dated as of August 18, 2003 (as further amended by supplemental indentures dated May 3, 2004 and July 1, 2005) (the "**ECT Trust Indenture**") provides that there will be not less than five nor more than fifteen ECT Trustees. The ECT Trustees may establish the number of ECT Trustees by resolution and have passed a resolution fixing the number of ECT Trustees at eight. The term of office of each ECT Trustee continues until the next annual meeting of holders of ECT Units or the time at which his or her successor is elected or appointed, or earlier if a ECT Trustee otherwise resigns, dies, is removed or disqualified pursuant to the terms of the ECT Trust Indenture.

During the term of the management agreement dated June 27, 2003 between ECT and the Administrator (the "**Management Agreement**"), the Administrator is entitled to appoint that number of ECT Trustees equal to, in the case where the total number of ECT Trustees is an even number, one half of that total number less one and, in all other cases, one half of that total number rounded down to the nearest whole number. As a result, three of the eight ECT Trustees will be appointed by the Administrator.

The Administrator is also entitled to propose the nominees for the election of the remaining five ECT Trustees. The nominees proposed for election as ECT Trustees must be Independent ECT Trustees and at least three of the ECT Trustees must be Independent Trustees as long as the Fund is a reporting issuer (or equivalent) in any jurisdiction in Canada. An "**Independent ECT Trustee**" is an ECT Trustee who is independent of the Administrator and any of its affiliates. Independence, in the ECT Trust Indenture, has the same meaning as given to the term "independence" in National Instrument 58-101 of the Canadian Securities Administrators. Pursuant to the ECT Trust Indenture, the current Independent ECT Trustees must approve the Independent ECT Trustees proposed for election by the Administrator and the Independent ECT Trustees proposed for election herein have been so approved.

Independent ECT Trustees Proposed for Election

The persons named in the enclosed form of proxy intend to vote in favour of the resolution directing and instructing the Fund Trustee as the holder of ECT Units to vote for the election of the five proposed nominees who are independent of the Administrator and whose names are set out below as Independent ECT Trustees, unless the Unitholder who has given such proxy has directed that the Trust Units represented thereby be withheld from voting on this matter. The Fund Trustee and the Administrator do not contemplate that the proposed nominees will be unable to serve as Independent ECT Trustees 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 in their discretion.

The five nominees proposed for election as Independent ECT Trustees are listed in the table below. All Independent ECT Trustee nominees are presently ECT Trustees.

Nominee for Election as Independent ECT Trustee	Ordinary Units Beneficially Owned or Controlled ⁽¹⁾		Current Public Board Memberships ⁽²⁾		
	2004	2005	Company	Term on Board	Committee/Chair
RICHARD H. AUCHINLECK Calgary, Alberta Trustee Since: 2003 Age: 54 Attendance: Board Audit Committee	10,000	10,000	ConocoPhillips (integrated energy) TELUS Corporation (telecom)	2001-present 2003-present	Audit and Finance Public Policy Human Resources and Compensation Corporate Governance
			4/5 4/5		

Mr. Auchinleck is a member of the Audit Committee of the ECT Board of Trustees. He has been a professional corporate director since 2001, when he retired as President and Chief Executive Officer of Gulf Canada after a 25-year career with Gulf. In addition to his current board memberships, Mr. Auchinleck has also served in the past five years on the boards of Sonic Mobility Inc., Hydro One Inc. and Gulf Canada Resources Ltd. Mr. Auchinleck holds a Bachelor of Applied Science degree in Chemical Engineering from the University of British Columbia.

J. LORNE BRAITHWAITE Malahide, County Dublin, Ireland Trustee Since: 2003 Age: 64 Attendance: Board	-	5,000	Enbridge Inc. (energy transportation & distribution) Jannock Properties Limited (real estate development)	1989-present 2000-present	Corporate Social Responsibility Governance
			5/5		

Mr. Braithwaite has been a professional corporate director since 2001, when he retired as President and Chief Executive Officer of Cambridge Shopping Centres Limited, a position he had held since 1978. Mr. Braithwaite is also a Director of Enbridge Gas Distribution Inc. and Bata Shoe Corporation and Chairman of the Canada Post Pension Plan Investment Committee. As of January 1, 2006, Mr. Braithwaite joined the largest shopping mall company in the Middle East as Chairman of MAF Shopping Centres LLC, Dubai, United Arab Emirates. Mr. Braithwaite holds a Masters of Business Administration from the University of Western Ontario.

M. ELIZABETH CANNON Calgary, Alberta Trustee Since: 2003 Age: 43 Attendance: Board	10,000	10,000			
			5/5		

Dr. Cannon has been Professor of Geomatics Engineering at the University of Calgary since 1996 and prior thereto, was an Associate Professor in the same faculty for three years. From 2002 to 2003, she was also a Special Advisor to the President, University of Calgary where she worked with the President, the Provost and other university leaders to provide advice on the university's academic plan. Dr. Cannon holds a Ph.D., Master of Sciences and Bachelor of Sciences in Geomatics Engineering from the University of Calgary, and a Bachelor of Sciences in Mathematics from Acadia University.

Nominee for Election as Independent ECT Trustee	Ordinary Units Beneficially Owned or Controlled ⁽¹⁾		Current Public Board Memberships ⁽²⁾		
	2004	2005	Company	Term on Board	Committee/Chair
G. GORDON TALLMAN Calgary, Alberta Trustee Since: 2003 Age: 63	5,084	10,000	Big Rock Brewery Ltd. ⁽³⁾ (beverages)	2001-present	Audit (Chair) Compensation
			CV Technologies Inc. (biotechnologies)	2003-present	Chair of Board
			PFB Corporation (building products)	2002-present	Audit Governance (Chair) Compensation and Human Resources
Attendance:	Board		5/5		
	Audit Committee		5/5		

Mr. Tallman is Chairman of the ECT Board of Trustees and a member of the Audit Committee of the ECT Board of Trustees. He has been a professional corporate director since 2002, when he retired as the Senior Vice President, Prairies Region, Royal Bank of Canada, after a 41-year career with the Royal Bank. Mr. Tallman is also a director of Investment Saskatchewan Inc., ECL Group of Companies Ltd. and Mount Royal College Foundation. In addition to his current public company board memberships, Mr. Tallman has also served in the past five years on the board of Canadian Utilities Limited. Mr. Tallman is a recent graduate of the Directors' Education Program, Corporate Governance College of the Institute of Corporate Directors.

WESLEY R. TWISS Calgary, Alberta Trustee Since: 2003 Age: 60	5,000	5,000	Addax Petroleum Corporation (oil & gas)	2005-present	Audit (Chair)
			Canadian Oil Sands Limited ⁽⁴⁾ (oil sands)	2001-present	Audit (Chair)
			EPCOR Utilities Inc. (utilities)	2004-present	Audit (Chair)
			Hydrogenics Corporation (alternative fuels)	2003-present	Audit (Chair) Human Resources and Compensation
			KEYERA Energy Management Ltd. ⁽⁵⁾ (energy services)	2003-present	Audit (Chair)
Attendance:	Board		5/5		
	Audit Committee		5/5		

Mr. Twiss is Chairman of the Audit Committee of the ECT Board of Trustees. He has been a professional corporate director since 2002, when he retired as the Executive Vice President & Chief Financial Officer of PanCanadian Energy Corporation, a position he had held since 2000. Prior thereto, Mr. Twiss held the positions of Senior Vice-President, Finance and Planning, and Executive Vice-President and Chief Financial Officer with Petro-Canada from 1989 to 2000. Mr. Twiss holds a Masters of Business Administration from the University of Western Ontario and a Bachelor of Applied Science (Chemical Engineering) from the University of Toronto. Mr. Twiss is a recent graduate of the Directors' Education Program, Corporate Governance College of the Institute of Corporate Directors.

Notes:

- (1) The information contained in the preceding table as to Trust Units beneficially owned or controlled is not within the knowledge of the Fund or the Administrator, has been furnished by the respective nominees individually, and is effective as of March 1, 2005 and March 1, 2006.
- (2) Companies identified are only those listed on a North American stock exchange and exclude ECT.
- (3) Big Rock Brewery Ltd. is a subsidiary of Big Rock Income Trust.
- (4) Canadian Oil Sands Limited is a subsidiary, and the manager, of Canadian Oil Sands Trust.
- (5) KEYERA Energy Management Ltd. is the managing partner of KEYERA Energy Partnership, which is 100% owned by KEYERA Facilities Income Fund.

Manager Trustee Appointees

As indicated, under the terms of the ECT Trust Indenture, the Administrator is entitled to appoint three ECT Trustees (the "**Manager Trustees**") who, together with the Independent ECT Trustees elected at the Meeting, will comprise the ECT Trustees. The following table sets forth certain information with respect to the Manager Trustees to be re-appointed effective May 1, 2006:

Manager Trustee Appointees	Ordinary Units Beneficially Owned or Controlled ⁽¹⁾		Current Public Board Memberships ⁽²⁾		
	2004	2005	Company	Term on Board	Committees
J. RICHARD BIRD Calgary, Alberta Trustee Since: 2002 Age: 56 Attendance: Board	110,000 ⁽³⁾	110,000 ⁽³⁾	Bird Construction Company Limited (construction) Enbridge Energy Company, Inc. and Enbridge Energy Management, L.L.C. ⁽⁴⁾ (pipeline)	1987-present 2000-2003 2003-present	Audit Personnel and Safety
PATRICK D. DANIEL Calgary, Alberta Trustee Since: 2003 Age: 59 Attendance: Board	15,000	15,000	Enbridge Inc. (energy transportation & distribution) Enbridge Energy Company, Inc. and Enbridge Energy Management, L.L.C. ⁽⁴⁾ (pipeline) EnCana Corporation (oil & gas) Enerflex Systems Ltd. (oil & gas services) Synenco Energy Inc. (oil sands)	2000-present 1996-present 2001-present 1998-present 2005-present	Audit Pension Audit Corporate Governance Corporate Governance and Appointments Reserves

Mr. Bird has been Group Vice President, Liquids Pipelines of Enbridge Inc. since 2000 and has been a senior executive officer of Enbridge Inc. for over 10 years. Mr. Bird joined Enbridge in 1995 after holding senior financial and corporate development executive positions at a number of other companies. Mr. Bird is also a director of Enbridge Pipelines Inc. Mr. Bird holds a Bachelor of Arts from the University of Manitoba, and a Masters of Business Administration and Ph.D. from the University of Toronto.

Mr. Daniel has been President & Chief Executive Officer of Enbridge Inc. since January, 2001 and has been senior executive officer of Enbridge Inc. for over 13 years. Prior to joining Enbridge, Mr. Daniel held senior management positions with Hudson's Bay Oil & Gas Ltd. and Home Oil Limited. Mr. Daniel is also a director of Enbridge Gas Distribution Inc. and Enbridge Pipelines Inc. Mr. Daniel holds a Bachelor of Science (Chemical Engineering) from the University of Alberta and a Master of Science (Chemical Engineering) from the University of British Columbia.

Nominee for Election as Independent ECT Trustee	Ordinary Units Beneficially Owned or Controlled ⁽¹⁾		Current Public Board Memberships ⁽²⁾		
	2004	2005	Company	Term on Board	Committee/Chair
STEPHEN J. WUORI Calgary, Alberta Trustee Since: 2003 Age: 48 Attendance: Board	5,000	5,000			4/5

Mr. Wuori has been Group Vice President & Chief Financial Officer of Enbridge Inc. since 2003 and has been a senior executive officer of Enbridge Inc. for over 8 years. Prior to his current appointment, Mr. Wuori was Group Vice President, Planning and Development of Enbridge Inc. responsible for corporate acquisitions and business development, including northern pipeline development and long-range planning, and prior thereto was President of Enbridge Pipelines Inc. Mr. Wuori is also a director of Enbridge Gas Distribution Inc. and Enbridge Pipelines Inc. Mr. Wuori has over 25 years of operations and business experience at Enbridge, and holds a Bachelor of Science (Civil Engineering) from Michigan Technological University and is a graduate of the Advance Management Program at the Harvard Business School.

Notes:

- (1) The information contained in the preceding table as to Trust Units beneficially owned or controlled is not within the knowledge of the Fund or the Administrator, has been furnished by the respective appointees individually, and is effective as of March 1, 2005 and March 1, 2006.
- (2) Companies identified are only those listed on a North American stock exchange and exclude ECT.
- (3) Mr. Bird is not the beneficial owner of 25,000 of these ordinary units, which are held by 933672 Ontario Inc. Mr. Bird exercises control and direction over these ordinary units.
- (4) Enbridge Energy Company, Inc. and Enbridge Energy Management, L.L.C. are the general partner and delegate of the general partner, respectively, of Enbridge Energy Partners, L.P.

Interlocking Board Memberships

The following table lists the ECT Trustees and proposed nominees for election or appointment as ECT Trustees who served together as directors on the boards of other corporations or entities during the financial year ended December 31, 2005.

Director/Trustee	Corporation/Entity ⁽¹⁾			
	Enbridge Inc.	Enbridge Gas Distribution Inc.	Enbridge Energy Company, Inc. and Enbridge Energy Management, L.L.C. ⁽²⁾	Enbridge Pipelines Inc.
J.R. Bird			✓	✓
J.L. Braithwaite	✓	✓		
P.D. Daniel	✓	✓	✓	✓
S.J. Wuori		✓		✓

Note:

- (1) Companies identified are only those either listed on a North American stock exchange or having reporting issuer (or US equivalent) status and exclude ECT.
- (2) Enbridge Energy Company, Inc. and Enbridge Energy Management, L.L.C. are the general partner and delegate of the general partner, respectively, of Enbridge Energy Partners, L.P.

The Business Scope Resolution

Unitholder approval is being sought for a special resolution to amend both the Fund Trust Indenture and the ECT Trust Indenture to revise certain provisions relating to the permitted activities that may be carried on by the Fund and ECT.

The Fund Trust Indenture currently reads as follows:

4.1 **Purpose of the Fund**

The Fund is a limited purpose trust and its activities are restricted to:

...

- (b) acquiring, holding, transferring, disposing of, investing in, and otherwise dealing with assets, securities (whether debt or equity) and other interest or properties of whatever nature of kind of, or issued by, other corporations, partnerships, trusts or other persons involved, directly or indirectly, in the business of energy transportation and/or other related businesses;

...

The proposal of the Administrator is to amend subparagraph 4.1(b) of the Fund Trust Indenture to read as follows. The proposed changes have been highlighted for ease of reference.

4.1 **Purpose of the Fund**

The Fund is a limited purpose trust and its activities are restricted to:

...

- (b) acquiring, holding, transferring, disposing of, investing in, and otherwise dealing with assets, securities (whether debt or equity) and other interest or properties of whatever nature of kind of, or issued by, other corporations, partnerships, trusts or other persons involved, directly or indirectly, in the business of, **or in activities pertaining directly or indirectly to, energy infrastructure** and/or other related businesses.

...

Along with the foregoing amendments, the Administrator is also seeking approval for all such other consequential amendments to the Fund Trust Indenture and other relevant agreements which, in the opinion of the Administrator, are appropriate and consistent with the intent of the foregoing amendments, including deleting each reference to energy transportation or energy transportation infrastructure (or similar terms) and replacing the deleted words with a reference to energy infrastructure.

The ECT Trust Indenture currently reads as follows:

1.1 **Definitions and Interpretation**

...

- (h) **“Business”** means the business of, and the ownership, operation and lease of assets and property in connection with, the transportation of energy and engaging in all activities ancillary or incidental thereto;”

...

4.1 **Purposes and Activities of the Trust**

The purpose and activities of the Trust are restricted to:

- (a) the direct or indirect conduct of the business of, and the direct or indirect ownership, operation and lease of assets and property in connection with the business of, energy transportation, including entering into the transaction contemplated by the Prospectus;
- (b) acquiring, holding, transferring, disposing of, investing in, operating and otherwise dealing with assets, securities (whether debt or equity) and other interests or properties of whatever nature or kind of or issued by affiliates, associates, or other persons involved, directly or indirectly, in the business of energy transportation and/or other related businesses; and, for greater certainty, the Trust is expressly authorized to invest, directly or indirectly in one or more partnerships (whether limited or general) as a partner thereof.

...

The proposal of the Administrator is to amend subparagraphs 1.1(h) and 4.1(a) and (b) of the ECT Trust Indenture, to read as follows. The proposed changes have been highlighted for ease of reference.

1.1 **Definitions and Interpretation**

...

- (i) **“Business”** means **being involved, directly or indirectly, in** the business of, **or activities pertaining directly or indirectly to,** and the ownership, operation and lease of assets and property in connection with, **energy infrastructure** and engaging in all activities ancillary or incidental thereto;”

...

4.1 **Purposes and Activities of the Trust**

The purpose and activities of the Trust are restricted to:

- (a) the direct or indirect conduct of the business of, **or activities pertaining directly or indirectly to, energy infrastructure, including** the direct or indirect ownership, operation and lease of assets and property in connection with the business of **or activities pertaining directly or indirectly to, energy infrastructure, and** entering into the transaction contemplated by the Prospectus;
- (b) acquiring, **owning**, holding, **leasing**, transferring, disposing of, investing in, operating and otherwise dealing with assets, securities (whether debt or equity) and other interests or properties of whatever nature or kind of or issued by affiliates, associates, or other persons involved, directly or indirectly, in the business of, **or in activities pertaining directly or indirectly to, energy infrastructure** and/or other related businesses; and, for greater certainty, the Trust is expressly authorized to invest, directly or indirectly in one or more partnerships (whether limited or general) as a partner thereof.

The Administrator also proposes to make all such consequential amendments to the ECT Trust Indenture and any other relevant agreements which, in the opinion of the Administrator, are appropriate and consistent with the intent of the foregoing amendments, including deleting each reference to energy transportation or energy transportation infrastructure (or similar terms) and replacing the deleted words with a reference to energy infrastructure.

Unitholders are being asked to consider, and if deemed advisable, to approve the special resolution set out in Appendix "B" to this Circular (the **“Business Scope Resolution”**). **The Administrator recommends that Unitholders vote in favour of the Business Scope Resolution for the following reasons:**

- (a) The proposed changes will allow the Fund and ECT to pursue a broader base of investment opportunities in energy assets and not only those related to the energy transportation value chain.
- (b) Other energy infrastructure businesses that are not directly related to energy transportation, such as storage of crude oil, natural gas, natural gas liquids and refined products, power generation and natural gas and electricity distribution businesses are complementary to the Fund's strategic objective of investing in long-life energy related assets with stable cash flow characteristics.
- (c) Acquisition opportunities in certain energy-based infrastructure businesses may include other energy-related assets as a component of the energy related infrastructure.
- (d) The revision will provide enhanced flexibility to allow the Fund's Administrator, which is also ECT's Manager, to move quickly should an appropriate opportunity arise without need of Unitholder approval at that time.

On the Business Scope resolution, every Unitholder entitled to vote at the Meeting will be entitled to cast one vote for each Trust Unit held. The Business Scope Resolution requires the approval of 66⅔% of the Trust Units represented at the Meeting in person or by proxy and voted on such resolution.

Unless specified in a form of proxy or Voting Information Form, or by telephone or internet voting instructions, that the Trust Units represented by the proxy shall be voted against the Business Scope Resolution, it is the intention of the persons designated in the enclosed Proxy Form to vote FOR the approval of the Business Scope Resolution.

The Rights Plan Resolution

The Fund has in place a Unitholder Rights Plan (the "**Rights Plan**"), originally implemented on June 30, 2003 under the terms of the Unitholder Rights Plan Agreement (the "**Rights Plan Agreement**") dated effective as of June 30, 2003, between the Fund and CIBC Mellon Trust Company, as Rights Agent (the "**Rights Agent**"). The Rights Plan Agreement provides, among other things, that to remain in force, it must be reconfirmed by resolution passed by greater than 50% of the votes cast by all holders of Trust Units who vote in respect of such reconfirmation at every third annual meeting of Unitholders following its effective date.

The Fund has reviewed its Rights Plan for conformity with current practices with respect to shareholder and unitholder rights plan design and has determined that since June 2003, when the Rights Plan was originally implemented, there have been limited material changes to the design of such rights plans. On February 23, 2006, the ECT Trustees resolved to continue the Rights Plan with minor amendments by approving the Rights Plan Agreement as amended and restated as of May 1, 2006 (the "**2006 Rights Plan Agreement**"). The Rights Plan embodied in the 2006 Rights Plan Agreement is the same in all material respects as the prior Rights Plan, apart from changes to the definitions of Expiration Time and Lock-up Agreement, which changes are discussed in Appendix "C" to this Circular under the headings "Summary of the Rights Plan – Principal Terms – Term" and " – Lock-up Agreements".

Unitholders will be asked at the Meeting to consider and, if deemed advisable, to approve, by a simple majority of votes cast at the Meeting, a resolution, the text of which is set forth in Appendix "C" of this Circular (the "Rights Plan Resolution"), to continue, ratify, confirm and approve the 2006 Rights Plan, as amended and restated. **For the Rights Plan to continue in effect after the Meeting, the Rights Plan Resolution must be passed by the Unitholders. If the Rights Plan Resolution is not passed by the Unitholders, the Rights Plan will terminate.**

Appendix "C" also sets out the background to the 2006 Rights Plan and the Fund's AIF contains a summary of the principal terms of the Rights Plan under the heading "Description of the Fund - Unitholders Rights Plan". The Fund's AIF is available on SEDAR at www.sedar.com.

The ECT Trustees have determined that the 2006 Rights Plan is in the best interests of the Fund and the Unitholders and unanimously recommend that Unitholders vote in favour of the Rights Plan Resolution.

Unless specified in a form of proxy or Voting Instruction Form, or by telephone or internet voting instructions, that the Trust Units represented by the proxy shall be voted against the Rights Plan Resolution, it is the intention of the persons designated in the enclosed Proxy Form to vote FOR the approval of the Rights Plan Resolution.

The ECT Auditor Resolution

Unitholder approval is being sought for a special resolution to amend both the Fund Trust Indenture and the ECT Trust Indenture to revise certain provisions relating to the existing requirement to appoint an auditor for ECT each year, in addition to the annual appointment of an auditor for the Fund.

The Fund Trust Indenture currently reads as follows:

10.1 **Annual Meeting**

There shall be an annual meeting of Unitholders immediately prior to, and at the same place as, each annual meeting of holders of ECT Units for the purpose of:

- (a) directing and instructing the Trustee as to the manner in which the Trustee shall vote to ECT Units held by the Fund in respect of (i) the election of the ECT Independent Trustees, who are to be elected at the annual meeting of the holders of ECT Units which is to immediately follow the meeting of Unitholders, (ii) the appointment of the auditors of ECT for the ensuing year, and (iii) any other relevant matters described in Schedule A or Schedule B hereto which may be properly brought before such annual meeting of holders of ECT Units;

...

The proposal of the Administrator is to amend subsection 10.1 (a) of the Fund Trust Indenture to delete paragraph 10.1(a)(ii).

The ECT Trust Indenture currently reads as follows:

10.1 **Annual Meeting**

There shall be an annual meeting of Unitholders at such time and place as the Trustees shall prescribe for the purpose of:

...

- (b) appointing the auditors of the Trust; and

...

15.13 **Appointment of Auditors**

PricewaterhouseCoopers, LLP, Chartered Accountants, are hereby appointed as the initial auditors of the Trust to hold such office until the first annual meeting of Unitholders. The Auditors will be elected by Unitholders at each succeeding annual meeting of Unitholders. The Auditors will receive such remuneration as may be approved by the Trustees.

...

The proposal of Enbridge Management Services Inc., as Administrator of the Fund and as Manager of ECT, is to amend subsection 10.1 of the ECT Trust Indenture, by way of a special resolution, to add the words “**if required**” to the end of subsection 10.1(b) and delete Section 15.13 and replace it with the following:

15.13 **Appointment of Auditors**

- (a) **The Trustees may, at their discretion and at any time, appoint auditors for the Trust.**
- (b) **The Trustees shall appoint auditors for the Trust, either (i) upon receipt of written notice from a Unitholder pursuant to subsection 15.8(c), or (ii) if required to do so by applicable law.**
- (c) **With respect to any appointment of auditors of the Trust pursuant to subsections 15.13(a) or (b) above, the Trustees shall appoint, as the auditors of the Trust, such firm of accountants as is then currently serving as auditors of the Fund, to hold such office until the earlier of the next annual meeting of Unitholders or until their successors are appointed. Thereafter, the Auditors will be appointed by Unitholders at each succeeding annual meeting of Unitholders, unless the Unitholders subsequently resolve, by Ordinary Resolution, to dispense with the appointment of Auditors. The Auditors will receive such remuneration as may be approved by the Trustees.**

- (d) **Except as provided by subsection 15.3(b), the Trust is not required to have an auditor. From and after the date of this Indenture, the Trust shall not have an auditor unless and until hereafter appointed pursuant to the provisions of this Section 15.13.**

The Administrator also proposes to make all such consequential amendments to the ECT Trust Indenture and other relevant agreements which, in the opinion of the Administrator, are appropriate and consistent with the intent of the foregoing amendments.

Unitholders are being asked to consider, and if deemed advisable, to approve the special resolution set out in Appendix "D" to this Circular (the "**ECT Auditor Resolution**").

The Administrator recommends that Unitholders vote in favour of the ECT Auditor Resolution for the following reasons:

- (a) The scope and subject of the audit and quarterly reviews performed by the Fund's auditor are virtually identical to those of ECT's auditor, since the sole business of the Fund is holding its investment in ECT.
- (b) As a result of the overlapping scope and subject of the Fund and ECT audit functions, the cost of retaining an auditor for ECT, however small, is considered a redundant and unnecessary expense.
- (c) Under the current structure of the Fund, the audit function can be eliminated at the ECT level with little or no risk to the interests of Unitholders, or integrity of the Fund's financial reporting and disclosure, as long as an auditor continues to be appointed annually for the Fund.

On the foregoing resolution, every Unitholder entitled to vote at the Meeting will be entitled to cast one vote for each Unit held. The ECT Auditor Resolution requires the approval of 66⅔% of the Units represented at the Meeting in person or by proxy and voted on such resolution.

Unless specified in a form of proxy or Voting Instruction Form, or by telephone or internet voting instructions, that the Trust Units represented by the proxy shall be voted against the ECT Auditor Resolution, it is the intention of the persons designated in the enclosed Proxy Form to vote FOR the approval of the ECT Auditor Resolution.

Appointment of Auditors of ECT and Fixing of Auditors' Remuneration, only if Required

PwC have been the auditors of ECT since its inception. For the year ended December 31, 2005, PwC billed approximately \$5,000 for audit services provided to ECT. If the Unitholders vote to approve the ECT Auditor Resolution, then the reappointment of PwC as auditor of ECT will not be put to a vote at the Meeting and no auditor will be appointed for ECT.

If, however, the ECT Auditor Resolution is not approved, then the persons named in the enclosed form of proxy intend to vote in favour of the resolution directing and instructing the Fund Trustee, as the holder of ECT Units, to vote for the appointment of PwC as auditors of ECT to hold office until the next annual meeting of unitholders of ECT or until their successors are appointed, and authorizing the ECT Trustees to fix the remuneration of the auditors unless the Unitholder who has given the proxy has directed that the Trust Units represented thereby be withheld from voting in respect of the appointment of auditors of ECT. Consequently, Unitholders are advised to mark their Voting Instruction Form on the matter of appointment of PwC as auditors for ECT, regardless of how they have voted on the ECT Auditor Resolution.

REMUNERATION OF FUND TRUSTEE AND ECT TRUSTEES

Pursuant to the Fund Trust Indenture, the Fund Trustee is entitled to receive for its services as the trustee of the Fund: (i) such reasonable compensation as shall be negotiated between the Administrator on behalf of the Fund and the Fund Trustee; (ii) reimbursement of the Fund Trustee's

reasonable out-of-pocket expenses incurred in acting as the trustee of the Fund; and (iii) fair and reasonable remuneration for services rendered to the Fund in any other capacity, which services may include, without limitation, services as the transfer agent for the Fund or any Trust Units. For the services rendered as trustee and registrar and transfer agent to the Fund and services rendered as trustee under a note indenture of ECT during the year ended December 31, 2005, the Fund Trustee was paid approximately \$37,500.

Pursuant to the ECT Trust Indenture, the Independent ECT Trustees are entitled to receive for their services as ECT Trustees such reasonable compensation as the ECT Trustees may determine from time to time, as well as reimbursement of their out-of-pocket expenses incurred in acting as ECT Trustees. The Manager Trustees shall not be entitled to receive any remuneration for their services as ECT Trustees, but shall be entitled to reimbursement from ECT of their out-of-pocket expenses incurred in acting as ECT Trustees.

In May of 2005, the compensation plan for the ECT Trustees was amended, with effect as of July 1, 2005, after a review of the then existing plan and trustee or director compensation in 2004 at a comparator group of income funds and limited partnerships. The following table sets forth the types of retainers and fees and the amounts of such retainers and fees payable to the Independent ECT Trustees during the twelve-month period ended December 31, 2005:

Description	Current Rate (effective July 1, 2005)	Former Rate (prior to July 1, 2005)
Trustee Retainer	\$20,000 per annum	\$15,000 per annum
Chair of the Board Retainer	\$15,000 per annum	\$5,000 per annum
Audit Committee Chair Retainer	\$10,000 per annum	\$2,000 per annum
Meeting Fee ^{(1) (2)}	\$1,250 per meeting	\$1,000 per meeting
Telephone Meeting Fee	None	\$500 per meeting
Travel Fee ⁽³⁾	\$1,500 per meeting	\$1,500 per meeting

Notes:

- (1) A meeting fee is paid for attendance at trustee or committee meetings or while otherwise engaged in business related to the Fund.
- (2) After July 1, 2005, the same meeting fee is paid for attendance in person or by telephone.
- (3) A travel fee is paid to a trustee who travels out of their principal province of residence to attend a trustee or committee meeting.

During the year ended December 31, 2005, ECT paid an aggregate of \$146,500 to the Independent ECT Trustees as compensation for their services as ECT Trustees. The amount paid to each Independent ECT Trustee during the year ended December 31, 2005 was as follows: R.H. Auchinleck (\$26,500); J.L. Braithwaite (\$24,500); M.E. Cannon (\$22,500); G.G. Tallman (\$38,500); and W.R. Twiss (\$34,500).

On May 3, 2004, the ECT Trustees established a guideline requiring each trustee to hold a personal investment in ordinary units of the Fund with a value equal to four times the annual trustee retainer (i.e., \$60,000) and that they attain the target ownership level within a period of four years (from the date of the approval of the guideline or the date of their election or appointment, whichever is later). Concurrent with the approval of the changes made to the ECT Trustee compensation plan, as described above, this target ownership level was increased to \$80,000. Information regarding ECT Trustee ownership of ordinary units of the Fund is set forth earlier in this Circular under the heading "Election of Independent Trustees".

MANAGEMENT OF THE FUND AND ECT

The Fund Trustee has no active role in the management of the Fund and there are no individual trustees of the Fund, itself. Responsibility for the management and administration of the Fund has been

generally delegated to the Administrator pursuant to the administrative services agreement dated June 27, 2003 among the Fund, the Fund Trustee, the Administrator and ECT (the "**Administration Agreement**"). The authority of the Fund Trustee has been delegated to the ECT Trustees pursuant to the Fund Delegation Agreement and to the Administrator pursuant to the Administration Agreement.

Day-to-day management and general administration of ECT itself has been delegated to the Administrator pursuant to the management agreement dated June 27, 2003 between the Administrator and ECT (the "**Management Agreement**"). None of the Fund, ECT or any of their respective wholly-owned subsidiaries has any employees. Consequently, these businesses, including the business of one of ECT's two key operating investments, Enbridge Pipelines (Saskatchewan) Inc. ("**Enbridge Saskatchewan**"), are managed through service agreements with the Administrator, described below. There is no service agreement between the Administrator and Alliance Pipeline Limited Partnership ("**Alliance Canada**"), the other key operating investment, in which ECT holds an indirect 50% interest, since Alliance Canada is managed by its general partner, Alliance Pipeline Ltd., which has a management team and staff of its own.

If either of the Business Scope Resolution or the ECT Auditor Resolution, or both, are approved by Unitholders at the Meeting, then the Administrator proposes to make such consequential amendments to the Administration Agreement and Management Agreement which, in the opinion of the Administrator, are appropriate and consistent with the intent of the amendments approved by the foregoing resolutions.

Administration Agreement

Pursuant to the Administration Agreement, the Administrator has agreed to provide general administrative and support services to the Fund to administer the operations of the Fund, including, without limitation, those necessary to: (i) ensure compliance by the Fund with its continuous disclosure obligations under applicable securities legislation; (ii) provide investor relations services; (iii) prepare and cause to be provided to Unitholders all information to which Unitholders are entitled under the Fund Trust Indenture and under applicable laws; (iv) call and hold meetings of Unitholders and prepare, approve and arrange for the distribution of required materials, including notices of meetings and information circulars, in respect of all such meetings; (v) compute, determine and direct distributions to Unitholders; (vi) attend to all administrative and other matters arising in connection with any redemptions of Trust Units; and (vii) undertake and perform all acts, duties and responsibilities in connection with acquiring or disposing of assets and property for and on behalf of the Fund of whatever nature or kind.

In consideration for providing the services under the Administration Agreement, the Administrator receives a base fee of \$50,000 per annum, subject to annual adjustment for inflation. The Administrator is also entitled to be reimbursed for all out-of-pocket and third party fees, costs and expenses reasonably incurred by the Administrator or its affiliates in carrying out the Administrator's obligations and duties under the Administration Agreement. The reimbursement of Fund expenses to the Administrator is not intended to provide the Administrator with any financial gain or loss. During the year ended December 31, 2005, the Administrator received a base fee of \$51,352 pursuant to the Administration Agreement.

The Administration Agreement has an initial 20-year term and is automatically renewable for additional successive terms of five years, unless earlier terminated by the Administrator. The Administration Agreement may be immediately terminated by either party in the event of: (i) certain events of insolvency, receivership or liquidation of the other party; (ii) the termination of the Management Agreement (as defined below); or (iii) a breach by the other party in the performance of a material obligation under the Administration Agreement (other than as a result of the occurrence of a force majeure event) which is not remedied within 60 days after notice of such breach has been delivered, or when not reasonably capable of being remedied within 60 days after notice thereof has been delivered, such party fails to commence and diligently pursue steps to remedy such breach, and such termination has been authorized by a resolution passed by more than 50% of the Unitholders entitled to vote on such resolution, whether cast in person or by proxy, at a meeting of Unitholders, at which a quorum was present.

Management Agreement

Pursuant to the Management Agreement, the Administrator has agreed to provide all aspects of the management and general administration to ECT, including, without limitation: (i) overseeing the business and affairs of ECT and reporting to the ECT Trustees with respect thereto at such times as may be requested from time to time by the ECT Trustees; (ii) developing, implementing and monitoring a strategic plan for ECT; (iii) developing acquisition strategies and investigating potential acquisitions and analyzing the feasibility of potential acquisitions; (iv) carrying out acquisitions or dispositions and related financings; (v) preparing an annual management plan for approval by the ECT Trustees; (vi) assisting in connection with any financing of ECT or its affiliates; (vii) assisting ECT with the preparation, planning and coordinating of meetings of the ECT Trustees; and (viii) providing oversight and direction of the investments in Alliance Canada, Alliance Pipeline Ltd. (the general partner of Alliance Canada) and Enbridge Pipelines (Saskatchewan) Inc., including through representation on the boards of directors of Alliance Pipeline Ltd. and Enbridge Pipelines (Saskatchewan) Inc.

In consideration for providing the services under the Management Agreement, the Administrator receives: (i) a base fee of \$50,000 per annum, subject to annual adjustment for inflation; and (ii) an annual incentive fee equal to 25% of the amount by which the cash distributions to Unitholders in respect of the applicable year exceeds \$0.825 per Trust Unit. The Administrator is also entitled to be reimbursed for all out-of-pocket and third party fees, costs and expenses reasonably incurred by the Administrator or its affiliates in carrying out the Administrator's obligations and duties under the Management Agreement. The reimbursement of ECT expenses to the Administrator is not intended to provide the Administrator with any financial gain or loss. During the year ended December 31, 2005, the Administrator received a base fee of \$51,352 and an incentive fee of \$2,058,371 pursuant to the Management Agreement.

The Management Agreement has an initial 20-year term and is automatically renewable for additional successive terms of five years unless earlier terminated by the Administrator. The Management Agreement may be immediately terminated by either party in the event of: (i) certain events of insolvency, receivership or liquidation of the other party; (ii) the termination of the Administration Agreement; (iii) the occurrence of a substantial deterioration in the business of ECT rendering its performance to be materially below the performance of similar income trusts in Canada, and such substantial deterioration is caused by the Administrator; or (iv) a breach by the other party in the performance of a material obligation under the Management Agreement (other than as a result of the occurrence of a force majeure event) which is not remedied within 60 days after notice of such breach has been delivered, or when not reasonably capable of being remedied within 60 days after notice thereof has been delivered, such party fails to commence and diligently pursue steps to remedy such breach, and such termination has been authorized by a resolution passed by more than 50% of the Unitholders entitled to vote on such resolution, whether cast in person or by proxy, at a meeting of Unitholders, at which a quorum was present.

GP Services Agreement

Pursuant to a services agreement dated June 30, 2003 between the Administrator and Enbridge Income Partners GP Inc. (the "**GP Services Agreement**"), the Administrator has agreed to provide Enbridge Income Partners GP Inc. ("**GP**"), the general partner of Enbridge Income Partners LP, with all services as may be required or advisable, from time to time, in order to operate and administer the business of GP. The GP Services Agreement has an initial five-year term and is automatically renewable for an additional twelve-month period unless earlier terminated by the Administrator or GP.

In consideration for providing services to GP under the GP Services Agreement, the Administrator will receive a fee equal to 115% of its all costs and expenses reasonably incurred in the course of providing such services. During the year ended December 31, 2005, the Administrator received a payment of \$5,000 pursuant to the GP Services Agreement.

Saskatchewan Services Agreement

Pursuant to a services agreement dated June 30, 2003 among the Administrator, Enbridge (Saskatchewan) Operating Services Inc. (an affiliate of the Administrator) ("**ESOSI**") and Enbridge Pipelines (Saskatchewan) Inc. (the "**Saskatchewan Services Agreement**"), the Administrator has retained the services of ESOSI to provide Enbridge Pipelines (Saskatchewan) Inc. ("**Enbridge Saskatchewan**"), with all services as may be required or advisable, from time to time, in order to operate

and administer the business of Enbridge Saskatchewan, including, without limitation, general and administrative services and pipeline operating services. The Saskatchewan Services Agreement has an initial five-year term and is automatically renewable for an additional twelve-month period unless earlier terminated by the Administrator, ESOSI or Enbridge Saskatchewan.

In consideration for providing services to Enbridge Saskatchewan under the Saskatchewan Services Agreement, ESOSI receives an amount equal to all costs and expenses reasonably incurred in the course of providing such services. The amounts paid under the Saskatchewan Services Agreement are not intended to provide ESOSI with any financial gain or loss. During the year ended December 31, 2005, ESOSI received payments of \$9.9 million pursuant to the Saskatchewan Services Agreement.

The Administrator

The Administrator is a wholly-owned subsidiary of Enbridge Inc. The head office of the Administrator is located at 3000, 425 – 1st Street S.W., Calgary, Alberta, T2P 3L8.

The following individuals are the directors and senior officers of the Administrator:

Name and municipality of residence	Position with the Administrator	Principal occupation
J. Richard Bird Calgary, Alberta	Director	Group Vice President, Liquids Pipelines, Enbridge Inc.
Leigh, S. Cruess Calgary, Alberta	Vice President, Business Development & Chief Financial Officer	Vice President, Financial Services, Enbridge Inc.
Patrick D. Daniel Calgary, Alberta	Director	President & Chief Executive Officer, Enbridge Inc.
Christopher J. Johnston Calgary, Alberta	Controller	Director, Financial & Management Reporting, Enbridge Inc.
James E.R. Lord Calgary, Alberta	Corporate Secretary	Senior Legal Counsel, Enbridge Inc.
David K. Wudrick Calgary, Alberta	Treasurer	Manager, Corporate Finance, Enbridge Inc.
Stephen J. Wuori Calgary, Alberta	President and Director	Group Vice President & Chief Financial Officer, Enbridge Inc.

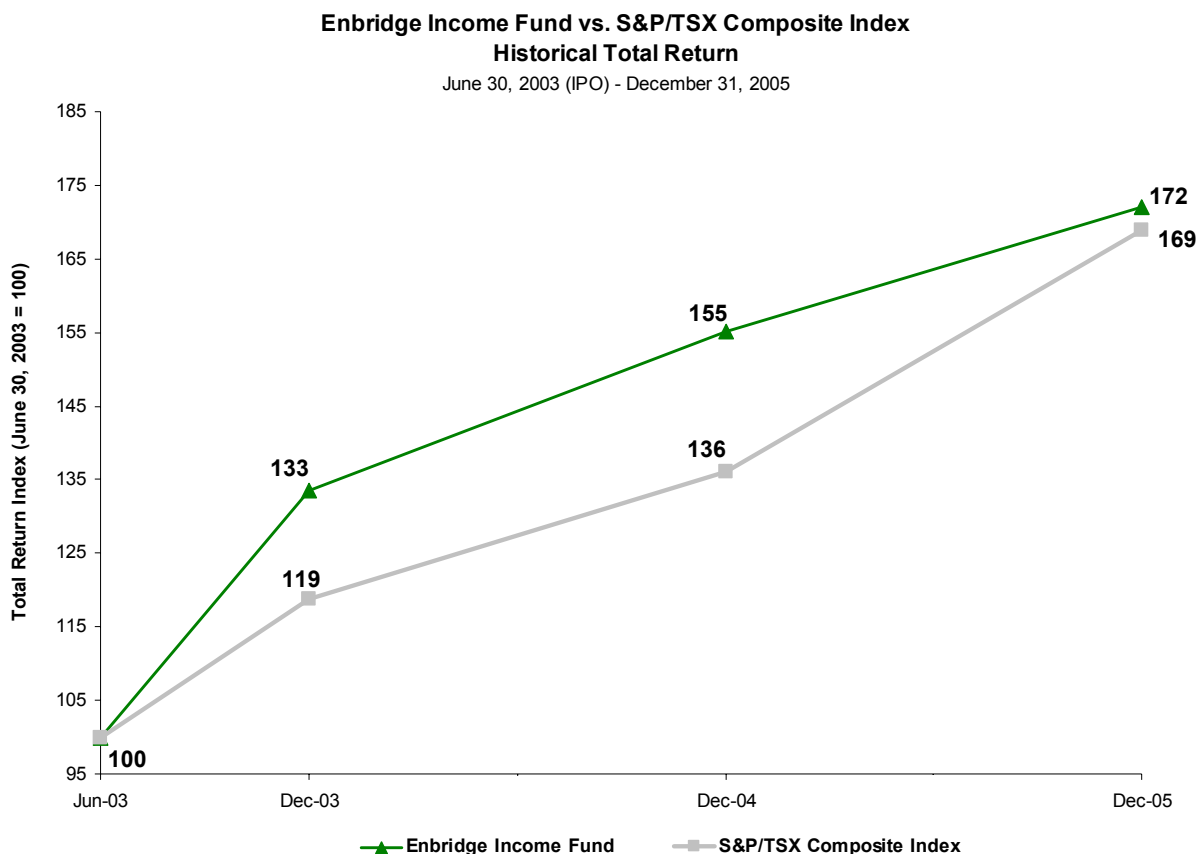
EXECUTIVE COMPENSATION

Neither the Fund nor any of its wholly-owned subsidiary entities have any employees. All services necessary to operate the Fund and its wholly-owned subsidiary entities are provided by the Administrator or its affiliates through the various agreements described in "Management of the Fund and ECT".

The Fund holds a 50% interest in Alliance Canada, which is a reporting issuer in all of the provinces of Canada. Information with respect to the remuneration and indebtedness of Alliance Canada's directors and senior officers is contained in Appendix "A" to this Circular.

PERFORMANCE GRAPH

The following chart compares the Fund's total shareholder return (assuming reinvestment of distributions) for an individual who invested \$100 in ordinary units of the Fund pursuant to its initial public offering, which closed on June 30, 2003, with the cumulative total return of the S&P/TSX Composite Index for the 30 month period ended December 31, 2005.



INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular and in the consolidated financial statements of the Fund for the fiscal period ended December 31, 2005, the Fund is not aware of any material interest of any current or proposed ECT Trustee or the Administrator or its affiliates or their respective directors or officers or any other "informed person" (as that term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*), in any transaction since December 31, 2004, or in any proposed transaction that has materially affected or will materially affect the Fund.

INDEBTEDNESS

At no time since the formation of the Fund did any current or former ECT Trustee or current or former director or officer of the Administrator, or any associate of any such person, owe any indebtedness to the Fund or owe any indebtedness to any other entity which is, or any time has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Fund.

LIABILITY INSURANCE

The Fund maintains insurance for the benefit of the trustees, directors and officers of the Fund, ECT and Enbridge Income Partners LP and their subsidiaries and the directors and officers of the Administrator, as a group, in respect of the performance by them of the duties of their offices. The total annual amount of insurance coverage available is approximately US\$40,000,000, with a US\$250,000 deductible for each claim (payable by the Fund) for which the Fund grants indemnification. The insurance premium for the policy period from June 30, 2005 to June 30, 2006, paid by the Fund, was US\$343,500.

THE FUND'S GOVERNANCE PRACTICES

The Administrator and the ECT Trustees are committed to maintaining a high standard of corporate governance for the Fund. The Administrator and the ECT Trustees have continued to assess the Fund's governance policies and practices in light of regulatory initiatives in Canada that have been adopted to improve corporate governance, as well as the evolving standards and expectations for governance in the Canadian capital markets.

Effective June 30, 2005, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and National Policy 58-201 - *Corporate Governance Guidelines* ("**NP 58-201**") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on governance practices. The Fund is also subject to Multilateral Instrument 52-110 - *Audit Committees* ("**MI 52-110**"), which has been adopted in various Canadian provinces and territories and which prescribes certain requirements in relation to audit committees.

The Administrator and ECT Trustees have reviewed the Fund's governance practices in response to NI 58-101, NP 58-201 and MI 52-110 and will continue to review its governance practices on an ongoing basis in response to the evolving standards and expectations. The Administrator and the ECT Trustees are of the view that the Fund's governance structures, systems and practices generally conform with the guidelines in NP 58-201 (the "**Guidelines**"), to the extent consistent with the structure of the Fund and ECT and the terms of the Fund Trust Indenture, the ECT Trust Indenture and the other agreements to which the Fund and ECT are parties.

Disclosure of the Fund's governance practices, as required by NI 58-101, is set out below.

General

In exercising its powers and discharging its duties under the Administration Agreement and the Fund Trust Indenture, the Administrator is required to act with the same degree of diligence and care that a reasonably prudent administrator of an income fund in Canada, having responsibilities of a similar nature to those set forth in the Administration Agreement and the Fund Trust Indenture, would exercise in comparable circumstances. Similar obligations are placed on the Administrator in respect of the discharge of its duties under the Management Agreement and the ECT Trust Indenture. Both the Administration Agreement and Management Agreement are described more fully in "Management of the Fund and ECT".

The ECT Trustees have duties as contemplated in the ECT Trust Indenture. The ECT Trustees review, monitor and approve the annual management plan and any strategic plan prepared by the Administrator. The ECT Trustees have also assumed responsibility for understanding the principal risks associated with the Fund's business and for ensuring the implementation of risk management systems by the Administrator.

In addition, the ECT Trustees have engaged the services of the Enbridge Inc. Internal Audit Services group, under an Audit Services Agreement between ECT and Enbridge Inc. dated as of February 23, 2005, to provide internal audit services directly to ECT and the Fund and support the ECT Trustees in their governance-related duties. Under this agreement, the service provider is responsible for using a systematic and disciplined approach to independently evaluate and recommend improvements to the effectiveness of ECT and the Fund's risk management, control and governance processes.

While day-to-day management of the Fund and ECT has been delegated to the Administrator, the ECT Trustees fulfill their responsibility for the broader stewardship of the Fund and ECT's assets through the structures, activities and procedures described below.

1. The ECT Board of Trustees

- (a) The ECT Trust Indenture provides that there will be not less than five, nor more than fifteen, ECT Trustees. There are presently five Independent ECT Trustees and it is proposed that there will be five Independent Trustees after the Meeting. The Independent ECT Trustees are, by way of instructions to the Fund's Trustee, elected annually by the Unitholders and must be independent of the Administrator. Additional information about the Independent ECT Trustees is included elsewhere in this Circular under "Matters to be Acted Upon at the Meeting – Election of Independent Trustees".
- (b) Three of the ECT Trustees are appointees of the Administrator and, as a result, are not considered independent. Additional information about the Manager Trustees is included elsewhere in this Circular under "Matters to be Acted Upon at the Meeting – Election of Independent Trustees".
- (c) A majority of five of the current eight ECT Trustees are independent. The structure of the Fund itself also follows and reinforces the Guideline that a majority of ECT Trustees should be independent. The ECT Trust Indenture requires, among other things, that a majority of the ECT Trustees be Independent ECT Trustees and the nominees for election as Independent ECT Trustees must be approved by the Independent ECT Trustees then in office.
- (d) Some ECT Trustees are also directors of other public issuers. Additional information about these outside directorships is included elsewhere in this Circular under "Matters to be Acted Upon at the Meeting - Election of Independent ECT Trustees".
- (e) The Independent ECT Trustees meet, without any Manager Trustees or representatives of the Administrator in attendance, as a regularly scheduled part of each meeting of the ECT Trustees. Since the beginning of the Fund's most recently completed financial year, the Independent ECT Trustees have held five such meetings. Depending on the substance of the discussion at these *in camera* meetings, the Independent ECT Trustees will generally either communicate the outcome of the meeting directly to either the Manager Trustees, the officers of the Manager, or both, at a subsequent meeting.
- (f) On August 18, 2003, the ECT Trustees appointed Mr. G.G. Tallman, an Independent ECT Trustee, as Chair of the Board of Trustees. The Chair of the Board of Trustees, as the presiding Board member, manages the affairs of the Board, together with the Committees at the Board, as constituted from time to time, the ECT Trustees and the Administrator, to achieve effective relations with Board members, unitholders, stakeholders and the public.
- (g) Information about the Board and committee meeting attendance record of each ECT Trustee and Audit Committee member is included elsewhere in this Circular under "Matters to be Acted Upon at the Meeting - Election of Independent ECT Trustees".

2. Board Mandate

The ECT Board of Trustees has adopted Terms of Reference for the Board of Trustees, a current copy of which is available for reference on the Fund's website at www.enbridgeincomefund.com/governance.

3. Position Descriptions

- (a) The ECT Board of Trustees has included position descriptions for the Chair at the Board and the Chair of the Audit Committee in the respective Terms of Reference for the Board of Trustees and Audit Committee. A copy of the Terms of Reference for the ECT Board of Trustees is available for reference on the Fund's website at

www.enbridgeincomefund.com/governance and a copy of the Terms of Reference for the Audit Committee of the ECT Board of Trustees is included on the Fund's website and as Appendix "A" to the Fund's AIF.

- (b) There is no CEO of the Fund or ECT, although there is a Chairman of the ECT Trustees, who is an Independent ECT Trustee. It is not considered necessary to have a specific position description for the President of the Administrator since the overall duties of the Administrator and limits on those duties are set out in the Administration Agreement and the Management Agreement.

4. Orientation and Continuing Education

- (a) Following their appointment on June 30, 2003, each of the current ECT Trustees received presentations on the business and operations of the Fund's two principal assets, Alliance Canada and the Enbridge Saskatchewan System. The ECT Trustees were also provided with a Trustees' Manual that contains general information about the Fund and its structure as well as copies of the Fund's disclosure and insider trading policies, copies of the Fund's material contracts and copies of the Terms of Reference for the Board of Trustees and Audit Committee. It is expected that any new ECT Trustee would receive similar presentations and information.
- (b) The administrator periodically arranges site-visits for the ECT Trustees to visit the operations of the Fund's investments. In addition to regular operational and project updates from management, the Administrator also periodically arranges for presentations, from internal and external subject matter experts, on topics including operational, accounting, legal and governance matters relevant to the Fund, to provide continuing education.

5. Ethical Business Conduct

- (a) Since neither the Fund nor any of its wholly-owned subsidiaries has any employees and the Fund and the ECT Trustees have delegated the management and administration of the Fund and ECT's business to the Administrator, the ECT Trustees have not adopted a written code. However, both Enbridge Inc. and Alliance Pipeline Ltd. have adopted written codes of ethical business conduct that apply to nearly all of the individuals involved in the operation and management of the businesses in which the Fund holds investments. The ECT Trustees have established a process for soliciting a report annually from Enbridge Inc., in respect of those applicable individuals subject to the Enbridge Inc. code, and from Alliance Canada, in respect of those applicable individuals subject to the Alliance Pipeline Ltd. code, regarding compliance with these respective codes, as applicable to the Fund's investments.
- (b) The ECT Trust Indenture also provides for a detailed set of rules intended to ensure the Trustees exercise independent judgment in considering transactions and agreements in respect of which a Trustee, or an officer of either the Fund or ECT, may have a material interest. Generally speaking, these rules require disclosure of the interest, limit participation of the affected party in decisions relating to the applicable transaction or agreement, and provide for additional oversight by Independent ECT Trustees in certain cases. The Terms of Reference for an Individual Trustee also impose explicit duties on Trustees themselves to speak and act independently as well as identify and appropriately address any potential personal or business related conflicts, real or perceived, that arise in connection with their role as a Trustee.
- (c) Under the Terms of Reference for the Board of Trustees, the ECT Trustees explicitly assume responsibility for requiring that the Administrator operate at all times within applicable laws and regulations and to the highest ethical and moral standards. In addition, all of the directors and officers of the Administrator are also employees of Enbridge Inc. and are subject to the code adopted by that company's board of directors.

Certain governance matters were also addressed when the structure of the Fund was being developed and are reflected in various agreements. For example, in addition to the provisions summarized above ensuring a majority of Independent ECT Trustees, any material changes to the terms of the Administration Agreement or the Management Agreement must be approved by the Independent ECT Trustees and any acquisition from the Administrator or its affiliates must be reviewed and approved by the Independent ECT Trustees.

6. **Nomination of Independent ECT Trustees**

- (a) The Independent ECT Trustees in office at the relevant time receive and review proposals from an *ad hoc* Nominating Committee for nominees for election as an Independent ECT Trustee. The *ad hoc* Nominating Committee, if and when established, is comprised of the Manger Trustees and one Independent ECT Trustee selected by the Independent ECT Trustees.
- (b) Although the ECT Trustees do not have a standing nominating committee composed entirely of Independent ECT Trustees, only those nominees approved by the Independent ECT Trustees are included as nominees for election in the annual proxy-related materials of the Fund.
- (c) Nominating Committees are established by the Board on an *ad hoc* basis, as deemed necessary by the Board. The Board determines the responsibilities, powers and operation of the Committee at the time that the Committee is struck.

7. **Compensation**

- (a) With respect to Independent ECT Trustee compensation, the Administrator considers the appropriate compensation program for the Independent ECT Trustees, including the Chairman and the chair of any committees, on an annual basis. The Administrator evaluates the general industry marketplace practices, the roles and responsibilities required of the ECT Trustees, and by benchmarks the ECT Trustee's compensation program in comparison with the programs of suitable peer groups. The Administrator may also engage the services of an outside consultant to provide specific support in evaluating these factors. The Administrator then makes recommendations to the ECT Trustees regarding the Independent ECT Trustee compensation program and, pursuant to the ECT Trust Indenture, the compensation program is to be approved by the ECT Trustees.
- (b) Neither the Fund nor any of its wholly-owned subsidiary entities have any employees. The Administrator manages the Fund's day-to-day business and is compensated in accordance with the agreements described in "Management of the Fund and ECT" and consequently, officer compensation is not relevant to the scope of the ECT Board of Trustees' duties. Accordingly, the ECT Trustees do not have a compensation committee composed entirely of Independent ECT Trustees.
- (c) For the reasons expressed in (b) above, the ECT Trustees do not have a compensation committee.
- (d) During the most recently completed fiscal year, the Administrator engaged Mercer Human Resources Consulting ("**Mercer**") to provide specific support in determining compensation for the ECT Trustees. This support consisted of reporting on the compensation programs in place at a defined comparator group of public issuers and providing commentary on relevant general market trends related to director compensation, but did not include any *in camera* meetings with the ECT Trustees. Mercer has not been retained to perform any other work for the Fund, ECT, the ECT Trustees or the Administrator.

8. Other Board Committees

The ECT Trustees do not have any standing committees other than the Audit Committee.

9. Assessments

Since 2004, the ECT Trustees have conducted an annual survey of ECT Trustees to assess the effectiveness of the Board of Trustees and the Audit Committee as well as the respective Chairs of the Board of Trustees and the Audit Committee. Under the process used for these surveys, each Trustee or member of the Audit Committee, as applicable, completes a written survey and returns the survey to the Corporate Secretary of the Administrator. The results are then compiled by the Corporate Secretary of the Administrator under the supervision of either the Chair of the Board of Trustees or Chair of the Audit Committee, as applicable and presented to the ECT Trustees or Audit Committee by the Chair of the Board of Trustees or the Chair of the Audit Committee, as applicable.

The ECT Trustees have determined that since the ECT Trustees have only been in office for a relatively short period of time (since June 30, 2003 when the Fund became a public issuer), it is premature to evaluate the contribution of individual trustees. A peer assessment process is under development and, when completed and approved, may be implemented at such time as the ECT Trustees deem it suitable.

UNITHOLDER PROPOSALS

The Fund Trust Indenture contains provisions that permit Unitholders to submit proposals to be considered for inclusion in the Fund's information circular for its annual meeting of Unitholders. In order to submit a proposal, Unitholders must meet the requirements and follow the procedures detailed in the Fund Trust Indenture, a copy of which is accessible on the Fund's website. In order for a proposal to be considered at the 2007 annual meeting of Unitholders, it must be received by the Administrator by November 30, 2006.

ADDITIONAL INFORMATION

Additional information relating to the Fund is available on SEDAR at www.sedar.com or on the Fund's website at www.enbridgeincomefund.com. Unitholders may request copies of the Fund's financial statements and Management's Discussion & Analysis by contacting the Office of the Corporate Secretary of the Administrator at 403.231.3900.

APPROVAL

The Board of Trustees of ECT and the Board of Directors of the Administrator have approved the contents of this Circular and the sending of it to the Unitholders.

DATED as of the 1st day of March, 2006.



James E.R. Lord,
Corporate Secretary,
Enbridge Management Services Inc.

APPENDIX A

STATEMENT OF EXECUTIVE COMPENSATION

ALLIANCE CANADA

Notice to Reader

This Appendix contains information relating to the compensation of certain officers of Alliance Pipeline Ltd. This information reflects amounts received by such officers for operational and administrative services provided to both the Canadian and United States portions of the Alliance System. Enbridge Income Fund indirectly owns a 50% interest in the Canadian portion of the Alliance System. Under the terms of the tolling agreement for the Alliance System, all costs necessary to operate the pipeline, including employee compensation costs, are passed through to the shippers on the Alliance System as part of the cost of service and therefore do not impact the net income or cash available for distribution generated by the Alliance System.

Until 2004, Enbridge Income Fund satisfied this disclosure requirement through a reference to documents publicly filed by Alliance Pipeline Limited Partnership that contained the requisite information. Due to subsequent changes in securities laws and the fact that Alliance Pipeline Limited Partnership no longer needs to file similar disclosure, Enbridge Income Fund is including the disclosure as an Appendix to the Circular.

Summary Compensation Table

The following table sets forth certain information regarding compensation for the financial years ended December 31, 2003, 2004 and 2005. The table contains information for the individuals who served as the Chief Executive Officer, Chief Financial Officer and for the individuals who were the three other highest compensated executive officers (collectively, the "**Named Executive Officers**") of Alliance Pipeline Ltd. (the "**Canadian General Partner**"), measured by base salary and bonuses granted, in the year ended December 31, 2005. The Canadian General Partner is the general partner of Alliance Pipeline Limited Partnership ("**Alliance Canada**" or the "**Partnership**"), and provides operational and administrative services to Alliance Canada and Alliance Pipeline L.P. ("**Alliance USA**").

Name and Principal Position	Fiscal Year	Annual Compensation ⁽¹⁾			Long-Term Compensation	All Other Compensation (\$)
		Salary (\$)	Bonus ⁽²⁾ (\$)	Other Annual Compensation ⁽³⁾ (\$)	LTIP Payouts ⁽⁴⁾ (\$)	
Murray P. Birch ⁽⁵⁾ President & CEO	2005	348,717	270,440	169,219	-	-
	2004	36,137	-	2,170	-	-
James E. Goldmann ⁽⁶⁾ Vice President, Transportation Services and Development	2005	120,942	60,420	43,384	-	-
Harold Kraft Vice President, Engineering & Construction	2005	187,500	95,080	67,413	81,037	-
	2004	178,750	76,690	64,903	97,964	-
	2003	174,250	81,290	63,733	62,964	-
Keith M. Palmer ⁽⁷⁾ Vice President, Finance	2005	165,480	81,520	58,455	57,667	-
	2004	148,750	52,220	47,247	67,438	-
	2003	141,510	53,000	41,802	42,063	-
James Walsh Vice President, Canadian Operations	2005	191,250	98,415	68,388	79,113	-
	2004	178,000	76,370	65,737	94,000	-
	2003	170,250	80,960	64,940	59,600	-

Name and Principal Position	Fiscal Year	Annual Compensation ⁽¹⁾			Long-Term Compensation	All Other Compensation (\$)
		Salary (\$)	Bonus ⁽²⁾ (\$)	Other Annual Compensation ⁽³⁾ (\$)	LTIP Payouts ⁽⁴⁾ (\$)	
Clinton J. White ⁽⁸⁾ Director, Finance	2005	39,445	-	17,210	31,916	-
	2004	153,568 ⁽⁹⁾	51,430	41,404	35,870	-
	2003	132,981	54,440	29,225	21,670	-

Notes:

- (1) The remuneration of each of the Named Executive Officers indicated above relates to services provided to Alliance Canada and Alliance USA for the years 2003, 2004 and 2005.
- (2) Bonuses earned relate to performance by the Named Executive Officer under the Partnership's short-term incentive plan for the year indicated and are payable the following year, generally within the first quarter. In the case of Mr. White, bonuses for the 2003 performance year include a recognition award (see "Other Bonuses" below).
- (3) Alliance Canada provides a benefit account for each employee in lieu of a corporate benefit and pension plan. Included in this column are the amounts paid to each Named Executive Officer in lieu of these corporate benefits and other perquisites. The Named Executive Officers are responsible for the purchase of their own medical plans, disability and life insurance, pensions, parking, club memberships, auto leases and other related costs. The amounts shown also include any pay received in lieu of vacation taken.
- (4) The amount set out reflects the payment to the Named Executive Officer of vested portions of awards made under Alliance Canada's Key Employee Incentive Plan as discussed under the heading "Long-Term Incentive Plan" below. The amount also includes the portion of the special award payment that vested in 2005, as discussed under the heading "Special Awards" below.
- (5) The Canadian General Partner hired Mr. Birch on November 23, 2004 and appointed him as Interim President on December 9, 2004. Compensation for 2004 reflects payments from November 23, 2004 to the end of 2004. Mr. Birch was appointed President and CEO on March 14, 2005.
- (6) The Canadian General Partner hired Mr. Goldmann as Vice President, Transportation Services and Development on May 11, 2005. Compensation for 2005 reflects payments from that date to the end of 2005.
- (7) Mr. Palmer was appointed Vice President, Finance on April 1, 2005.
- (8) Mr. White assumed the responsibilities of acting Vice President, Finance and CFO on December 15, 2003 and was appointed Director, Finance on March 23, 2004. Mr. White relinquished his position and resigned on March 31, 2005.
- (9) This amount includes additional pay of \$1,500 for the year 2004 that was omitted from Mr. White's reported compensation in the 2004 filing.

Long-Term Incentive Plan

The purpose of the Alliance Canada Key Employee Incentive Plan ("**Alliance Canada KEIP**") is to closely tie the compensation of key employees to the creation of medium to long-term value for Alliance Canada's owners. It also serves as a tool to encourage the retention of key employees, to recognize key contributors and to ensure that Alliance Canada's total compensation packages are competitive with those of its peers.

The Alliance Canada KEIP is a cash plan that became effective January 1, 2001. Under the Alliance Canada KEIP, awards are made when certain threshold corporate performance measures, set by the compensation committee of the board of directors of the Canadian General Partner at the beginning of each year, are met. Commencing January 1, 2004, each plan year has a three-year performance measurement period ("**Performance Period**"). Awards are based upon the annual salary of a participant and a Target Participation Rate ("**TPR**") established by the Compensation Committee of the board of directors of the Canadian General Partner. A participant's TPR is determined by the participant's role in Alliance Canada, expressed as a percentage.

There are two elements, each weighted at 50%, used in calculating the overall award made to a participant. The first measures the increase in net present value of the owners interest in Alliance Canada over the Performance Period ("**NPV Award**") and the second is based upon the average total unitholder return of the units of each of the two owners of Alliance Canada, Fort Chicago Energy Partners L.P. and Enbridge Income Fund, relative to the return of a comparator group of entities over the Performance Period ("**TUR Award**"). The maximum NPV Award payable is equal to two times TPR and the maximum TUR Award payable is equal to 1.5 times TPR, which results in a maximum overall award payable of 1.75 times TPR, taking into account the 50% weighting for each element.

For the 2001 to 2003 plan years, awards under the Alliance Canada KEIP followed a deferred vesting schedule whereby 1/3 of the award vested at time of issue and 1/3 vested in each of the following two years. Commencing January 1, 2004, awards for a given plan year are granted and vest at the end

of the Performance Period applicable to the plan year. At the point of vesting, the amount vested is paid in full.

The following table sets out information regarding amounts targeted for awards under the Alliance Canada KEIP to the Named Executive Officers of Alliance Canada during the year ended December 31, 2005.

**LTIP Awards Under the Alliance Canada KEIP during the Year Ended
December 31, 2005**

Name	Securities, Units or Other Rights ⁽²⁾	Performance or Other Period Until Maturation or Payout	Estimated Future Payouts Under Non-Securities-Price-Based Plans ⁽¹⁾		
			Threshold ⁽³⁾ (\$)	Target ⁽⁴⁾ (\$)	Maximum ⁽⁵⁾ (\$)
Murray Birch President and Chief Executive Officer	-	January 1, 2005 to December 31, 2007	160,000	320,000	560,000
James E. Goldmann Vice President, Transportation Services and Development	-	January 1, 2005 to December 31, 2007	24,188	48,377	84,659
Harold Kraft Vice President, Engineering and Construction	-	January 1, 2005 to December 31, 2007	37,500	75,000	131,250
Keith M. Palmer Vice President, Finance	-	January 1, 2005 to December 31, 2007	32,062	64,124	112,217
James Walsh Vice President, Canadian Operations	-	January 1, 2005 to December 31, 2007	38,250	76,500	133,875

Notes:

- (1) Based on salary of the Named Executive Officer for 2005 and does not include amounts to be included in awards under the TUR Award portion of the Alliance Canada KEIP representing distributions on the securities used as a basis for determining awards thereunder.
- (2) Participation in the Alliance Canada KEIP is determined by the compensation committee of the board of directors of the Canadian General Partner and once included in the plan, the Named Executive Officer's right to participate in awards under the Alliance Canada KEIP is based on the Named Executive Officer's annual salary and TPR for the applicable plan year.
- (3) "Threshold" refers to the minimum amount payable under the Alliance Canada KEIP, if an award is payable. No payments will be made under the Alliance Canada KEIP if NPV does not exceed a pre-established value and if the TUR is below the 25th percentile. The award under this column assumes the overall award is made at 50% of TPR.
- (4) "Target" refers to the amount payable if the overall award is made at 100% of TPR.
- (5) "Maximum" refers to the maximum payout possible under the Alliance Canada KEIP, which is at 175% of TPR.

Employment Contracts – Termination of Employment

The Canadian General Partner entered into an employment contract dated January 1, 2005 with Mr. Murray Birch, who served as the Interim President from December 9, 2004 to March 13, 2005 and was appointed President & CEO of the Canadian General Partner commencing March 14, 2005. This contract provided that should Mr. Birch be involuntarily terminated (other than for cause) or if Mr. Birch terminates the contract in accordance with certain provisions thereof, he will receive: (i) 24 months base salary at the salary in effect at the time of termination, (ii) a portion of the Alliance Short-Term Incentive Plan or STIP bonus pro-rated on Alliance's performance in that year to the date of termination; (iii) full award of the Short-Term Incentive Plan or STIP bonus that would have been received if performance targets were met for the 24 month period, (iv) full benefits coverage or equivalent cash value of the benefit premium for a 24-month period, and (v) such amounts as may be due under the terms of the Long-Term Incentive Plan or KEIP in accordance with the provisions of the KEIP plan text with 24 months used for the purpose of the notice period.

Composition of the Compensation Committee

The Compensation Committee of the Board of Directors of the Canadian General Partner (the "**Committee**") reviews and recommends compensation of the executive officers for approval by the Board of Directors. The members of the Committee are neither current nor former officers or employees of Alliance Canada or the Canadian General Partner. Mr. Stephen H. White, and Ms. Bonnie DuPont served as members of the Committee during 2005.

Report on Executive Compensation

The compensation of the Canadian General Partner's executive officers, including the Named Executive Officers set out in the Summary Compensation Table, is determined by the Committee.

The Canadian General Partner's executive compensation program is administered by the Committee. The Committee is responsible for reviewing overall compensation policy and guidelines. Alliance Canada has adopted a market based compensation program that has been designed to be competitive in attracting and retaining employees and to appropriately reward accomplishments and results through pay-for-performance. The program is comprised of four major components: base salaries, a short-term incentive plan, a long-term incentive plan, and benefits and perquisites. In addition, employees of Alliance Canada, including executive officers, may receive minor "one off" awards and payments (see "Other Bonuses" below).

In determining compensation, the Committee makes use of formal assessments, market comparisons and advice from independent external compensation consultants. Competitive compensation data from a comparator group of twenty-six Canadian based companies of similar size and/or complexity to Alliance Canada (the "**Comparator Group**") that are representative of the types of organizations with which Alliance Canada competes in order to attract and retain highly qualified individuals, is utilized. The Comparator Group includes oil and gas (exploration and production), pipeline and electric utility companies.

Base Salary

Base salaries for executive officers are determined using market data for similar roles, levels of responsibility and position scope within the Comparator Group. Within the overall structure set by that data, the specific salary for each executive officer is reviewed annually and the incumbent's responsibilities, business performance, performance reviews conducted by the immediate supervisor and the Committee's assessment of performance are utilized to determine the salary.

Short-Term Incentive Plan

Through the short-term incentive plan (the "**STIP**") a portion of each executive officer's annual compensation is linked to the achievement of pre-defined corporate and individual performance objectives set out at the beginning of the year. Target incentive payments based on each participant's level of responsibility within the organization are established as a percentage of base salary and reflect competitive practice within the Comparator Group. The STIP provides for the payment of awards that may be below or in excess of target awards. For 2005, all of the Named Executive Officers had corporate performance measures that included pipeline system reliability and optimization, effective management of operating costs, health, safety and environmental stewardship and the preservation of corporate business integrity. The Committee has the flexibility to make final determinations in respect of awards made under the STIP.

Long-Term Incentive Plan

The KEIP is an integral part of the Partnership's competitive compensation program. It is intended to reinforce the commitment of key employees to the medium to long-term growth and profitability of Alliance Canada and Alliance USA. As the Partnership's units are not traded publicly, the KEIP has been set up as a cash plan. Target incentive payments based on each participant's level of responsibility within the organization are established as a percentage of base salary and reflect competitive practice within the Comparator Group. The KEIP provides for the payment of awards that

may be below or in excess of target awards. Commencing in 2004, awards are granted and fully paid out following the completion of the three-year performance measurement period for the plan year. Prior to 2004, Awards were granted annually and each vested and paid out in equal portions over a three-year period. For 2005, all of the Named Executive Officers had corporate performance measures that included: (i) increasing the total unit holder return of the Fort Chicago Energy Partners L.P. units and the Enbridge Income Fund units and increasing this return relative to a comparator group of companies; and (ii) increasing the net present value of each limited partner's interest in Alliance Canada through increased distributions or other initiatives. The Committee has the flexibility to make final determinations in respect of awards made under the KEIP and places considerable emphasis on Alliance Canada's long-term interests and the achievement of associated long-term goals.

Benefits and Perquisites

Benefit amounts are intended to cover the costs and expenses for items such as, but not necessarily limited to: medical plans; health and dental plans; pensions; insurance for life, long and short term disability; and other related items.

Perquisite amounts are intended to cover the costs and expenses for items such as, but not necessarily limited to: executive health programs; car allowance; executive financial counselling services; or luncheon club memberships as may be made available to the executive officer based on corporate policy from time to time. Perquisite amounts were added to the executive compensation program in 2001.

Special Awards

A special award was approved by the Committee in recognition of the potential future value of certain 2003 initiatives and as part of a transition to the new long-term incentive plan that was implemented in 2004. The special award will be paid out in 2005 (1/3 payout) and 2006 (2/3 payout).

The total amount of special awards granted to Named Executive Officers is as follows:

Harold Kraft	\$ 35,000
Keith M. Palmer	\$ 53,000
James Walsh	\$ 39,660
Clinton J. White	\$ 14,200 ⁽¹⁾

Note:

(1) Mr. White forfeited \$9,467 as a result of his employment resignation.

Other Bonuses

Other bonus amounts include recognition awards and president's bonuses. Such awards and bonuses are generally small in nature with the intention of recognizing individual employees for specific instances of outstanding service and achievements.

President and Chief Executive Officer Compensation

The President & CEO's compensation is determined through annual compensation surveys with reference to the Comparator Group and is reviewed annually based on corporate and individual performance. The pay-for-performance philosophy of the Partnership's executive compensation program applies equally to the President & CEO. The Committee and the Board of Directors approve the compensation of the President & CEO after careful assessment of his personal contribution to the performance of the Partnership. This assessment is based on a number of quantitative and qualitative factors, which includes financial results, strategic planning and initiatives, personal leadership and business acumen. Mr. Birch's compensation is comprised of base salary, incentive awards granted under the STIP and the KEIP and a benefits and perquisites amount.

Compensation of the Directors

Commencing 2004, Directors of the Canadian General Partner receive \$25,000 per annum in remuneration, paid quarterly. In addition, all directors are reimbursed for travel costs and out-of-pocket expenses upon the submission of an expense account.

Directors' and Officers' Insurance

Alliance Canada procures a comprehensive directors' and officers' liability insurance program. Subject to policy conditions, this program is intended to cover each individual's liability arising from their duties as a director or officer of the Canadian General Partner provided they acted honestly and in good faith with a view to the best interests of the Canadian General Partner and Alliance Canada.

APPENDIX B

BUSINESS SCOPE RESOLUTION

BE IT RESOLVED, as a special resolution of the Unitholders of the Fund, that:

1. the Fund Trust Indenture, be amended by deleting paragraph 4.1(b) thereof and replacing it with the following:

"(b) acquiring, holding, transferring, disposing of, investing in, and otherwise dealing with assets, securities (whether debt or equity) and other interest or properties of whatever nature of kind of, or issued by, other corporations, partnerships, trusts or other persons involved, directly or indirectly, in the business of, or in activities pertaining directly or indirectly to, energy infrastructure and/or other related businesses;"

2. the Fund Trustee, or the Administrator on its behalf, is hereby authorized and directed to vote the units of ECT held by the Fund to approve amendments to the ECT Trust Indenture as described and set forth in the Information Circular dated March 1, 2006 of Enbridge Income Fund (the "**Circular**");

3. the Fund Trustee and the Administrator (and any director or officer of the Administrator on its behalf) are hereby authorized and directed for and in the name of and on behalf of the Fund, to execute all such documents and to do all such other acts and things as such person may determine to be necessary or advisable to give effect to these resolutions including, without limitation, effecting all such further, other and consequential amendments to the Fund Trust Indenture, ECT Trust Indenture and any other relevant agreements as the Administrator may consider appropriate and consistent with the intent of the foregoing amendments, including (a) deleting each reference to energy transportation or energy transportation infrastructure (or similar terms) and replacing the deleted words with a reference to activities pertaining directly or indirectly to, energy infrastructure, and (b) entering into an amendment and restatement of the Fund Trust Indenture and ECT Trust Indenture to give effect to such amendments;

4. notwithstanding the foregoing, the Administrator may, without further approval of the Unitholders, revoke this resolution at any time before it is acted on; and

5. any capitalized term used in this resolution and not otherwise defined herein shall have the meaning ascribed to that term in the Circular.

APPENDIX C

RIGHTS PLAN RESOLUTION

BE IT RESOLVED as an ordinary resolution of the holders of units of the Fund that:

1. the Unitholder Rights Plan of the Fund be continued and the 2006 Rights Plan Agreement, be ratified, confirmed and approved;
2. the making on or prior to May 1, 2005 of any revisions to the 2006 Rights Plan Agreement as may be required by any stock exchange or by professional commentators on unitholder rights plans to conform the 2006 Rights Plan Agreement to versions of unitholder rights plans prevalent for public reporting issuers in Canada, as may be approved by any two of the President, the Vice President Business Development & Chief Financial Officer and the Corporate Secretary of the Administrator, is hereby approved;
3. the 2006 Rights Plan Agreement, as amended in accordance with paragraph 2, is hereby ratified, confirmed and approved;
4. any ECT Trustee, as agent for the Fund, be and is hereby authorized for and on behalf of the Fund, under corporate seal or otherwise, to do all such things and to execute all such documents or instruments as may be necessary or desirable to give effect to this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions;
5. any capitalized term used in this resolution and not otherwise defined herein shall have the meaning ascribed to that term in the Information Circular dated March 1, 2006 of Enbridge Income Fund.

SUMMARY OF THE RIGHTS PLAN

Background

The primary objective of the Rights Plan is to provide the ECT Trustees with sufficient time to explore and develop alternatives for maximizing Unitholder value if a take-over bid is made for the Fund and to provide every Unitholder with an equal opportunity to participate in such a bid. The Rights Plan encourages a potential acquirer to proceed either by way of a Permitted Bid (as defined in the Rights Plan), which requires the take-over bid to satisfy certain minimum standards designed to promote fairness, or with the concurrence of the Board.

On the original adoption of the Rights Plan and on continuing the Rights Plan, the ECT Trustees considered the legislative framework in Canada governing take-over bids. Under provincial securities legislation, a take-over bid generally means an offer to acquire voting or equity units of a person or persons, where the units subject to the offer to acquire, together with units already owned by the bidder and certain related parties, aggregate 20% or more of the outstanding voting or equity units of the class.

The existing legislative framework for take-over bids in Canada continues to raise the following concerns for Unitholders of the Fund:

(a) Time

Current legislation permits a take-over bid to expire 35 days after it is initiated. The ECT Trustees are of the view that this is not sufficient time to permit Unitholders to consider a take-over bid and make a reasoned and unhurried decision.

(b) Pressure to Tender

A Unitholder may feel compelled to tender to a take-over bid that the Unitholder considers to be inadequate out of a concern that in failing to do so, the Unitholder may be left with illiquid or minority discounted units. This is particularly so in the case of a partial take-over bid for less than all of the units, where the bidder wishes to obtain a control position but does not wish to acquire all of the units. The Rights Plan provides the Unitholder with a tender approval mechanism that is intended to ensure that the Unitholder can separate the decision to tender from the approval or disapproval of a particular take-over bid.

(c) Unequal Treatment: Full Value

While existing provincial securities legislation has substantially addressed many concerns in this regard, there remains the possibility that control of a public issuer may be acquired pursuant to a private agreement in which one or a small group of Unitholders dispose of units at a premium to market price which premium is not shared with the other Unitholders. In addition, a person may slowly accumulate units through stock exchange acquisitions that may result, over time, in an acquisition of control without payment of fair value for control or a fair sharing of a control premium among all Unitholders.

Principal Terms

The following is a summary of the principal terms of the Rights Plan, which is qualified in its entirety by reference to the text of the 2006 Rights Plan Agreement. A Unitholder or any other interested party may obtain a copy of the 2006 Rights Plan Agreement by contacting the Corporate Secretary, Enbridge Management Services Inc., 3000, 425-1st Street S.W., Calgary, AB, T2P 3L8; telephone (403) 231-5715; fax (403) 231-5929.

Effective Date

The effective date of the Rights Plan is June 30, 2003 (the "Effective Date").

Term

The current Rights Plan had a ten-year term expiring June 30, 2013. The 2006 Rights Plan Agreement amends the definition of Expiration Time to provide that the Rights Plan must be reconfirmed and approved by Unitholders every three years without specifying a fixed term.

If the Rights Plan embodied in the 2006 Rights Plan Agreement is ratified, confirmed and approved by the Unitholders at the Meeting, the Rights Plan will remain in effect until the 2009 Annual Meeting of Unitholders.

Unitholder Approval

For the Rights Plan to continue in effect following the Meeting, the Rights Plan Resolution must be approved by a majority of the votes cast at the Meeting by Unitholders voting in person and by paper, telephone or internet proxy.

Issue of Rights

On the Effective Date, one right (a "Right") was issued and attached to each Trust Unit outstanding and will attach to each Trust Unit subsequently issued.

Rights Exercise Privilege

The Rights will separate from the Trust Units and will be exercisable eight trading days (the "Separation Time") after a person has acquired, or commenced a take-over bid to acquire, 20% or more of the Trust Units, other than by an acquisition pursuant to a take-over bid permitted by the Rights Plan (a "Permitted Bid") or an acquisition pursuant to a distribution by prospectus, private placement or securities exchange take-over bid of securities of the Fund that have not been previously distributed (a "Treasury Issue"). The acquisition by any person (an "Acquiring Person") of 20% of the Trust Units, other than by way of a

Permitted Bid or Treasury Issue, is referred to as a "Flip-in Event". Other than in relation to Enbridge, there are no "grandfathering" provisions in the Rights Plan. See "— Grandfathering Provisions". Any Rights held by an Acquiring Person will become void upon the occurrence of a Flip-in Event. Eight trading days after the occurrence of the Flip-in Event, each Right (other than those held by an Acquiring Person) will permit the purchase of Trust Units with a market value of \$100 on payment of the exercise price of \$50 per right.

The issue of the Rights is not initially dilutive. Upon a Flip-in Event occurring and the Rights separating from the Trust Units, reported earnings per Trust Unit on a fully-diluted or non-diluted basis may be affected. Holders of Rights not exercising their Rights upon the occurrence of a Flip-in Event may suffer substantial dilution.

Grandfathering Provisions

Under the Rights Plan, Enbridge is a "Grandfathered Person" and, accordingly, may hold any number of Trust Units at any time without triggering the Rights Plan.

Lock-Up Agreements

A bidder may enter into lock-up agreements (a "Lock-Up Agreement") with Unitholders (a "Locked-Up Person") whereby such Unitholders agree to tender their Trust Units to the take-over bid (the "Subject Bid") without a Flip-in Event (as referred to above) occurring. Any such agreement must permit the Locked-Up Person to withdraw their Trust Units from the lock-up to tender to another take-over bid or support another transaction that will provide greater value to the Locked-Up Person than the Subject Bid where the greater value offered exceeds by as much or more than a specified amount (the "Specified Amount") the value offered under the Subject Bid, provided the Specified Amount is not greater than 7% of the value offered under the Subject Bid. For purposes of clarity, a Lock-Up Agreement may contain a right of first refusal or require a period of delay (or other similar limitation) to give an offeror an opportunity to match a higher price in another transaction as long as the Locked-Up Person can accept another bid or tender to another transaction.

The 2006 Rights Plan Agreement amends the definition of Lock-up Agreement to also provide that any Lock-Up Agreement be made available to the Fund, ECT and to the public, and that under a Lock-Up Agreement no "break up" fees, "top up" fees, penalties, expense reimbursement or other amounts that exceed in aggregate the greater of: (i) 2½ % of the value payable under the Subject Bid; and (ii) 50% of the amount by which the value received by a Locked-Up Person under another take-over bid or transaction exceeds what such Locked-Up Person would have received under the Subject Bid; can be payable by such Locked-Up Person if the Locked-Up Person fails to deposit or tender their Trust Units to the Subject Bid or withdraws such units previously tendered thereto in order to deposit such units to another take-over bid or support another transaction.

Certificates and Transferability

Prior to the Separation Time, the Rights are evidenced by a legend imprinted on certificates for the Trust Units and are not transferable separately from the Trust Units. From and after the Separation Time, the Rights will be evidenced by Rights certificates that will be transferable and traded separately from the Trust Units.

Permitted Bid Requirements

The requirements for a Permitted Bid include the following:

- (i) the take-over bid must be made by way of a take-over bid circular;
- (ii) the take-over bid must be made to all Unitholders;
- (iii) the take-over bid must be outstanding for a minimum period of 60 days and Trust Units tendered pursuant to the take-over bid may not be taken up prior to the expiry of the 60 day period and only if at such time more than 50% of the Trust Units held by Unitholders, other than the bidder, its affiliates and persons acting jointly or in concert and certain other persons (the "**Independent Unitholders**"), have been tendered to the take-over bid and not withdrawn; and

- (iv) if more than 50% of the Trust Units held by Independent Unitholders are tendered to the take-over bid within the 60-day period, the bidder must make a public announcement of that fact and the take-over bid must remain open for deposits of Trust Units for not less than 10 business days from the date of such public announcement.

The Rights Plan allows for a competing Permitted Bid (a "**Competing Permitted Bid**") to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all the requirements of a Permitted Bid except that it may expire on the same date as the Permitted Bid, subject to the requirement that it be outstanding for a minimum period of 35 days.

Waiver

The ECT Trustees, acting in good faith, may, prior to the occurrence of a Flip-in Event, waive the application of the Rights Plan to a particular Flip-in Event (an "**Exempt Acquisition**") where the take-over bid is made by a take-over bid circular to all holders of Trust Units of the Fund. Where the ECT Trustees exercise the waiver power for one take-over bid, the waiver will also apply to any other take-over bid for the Fund made by a take-over bid circular to all holders of Trust Units prior to the expiry of any other bid for which the Rights Plan has been waived.

Redemption

The ECT Trustees with the approval of a majority of the votes cast by Unitholders (or Holders of Rights if the Separation Time has occurred) voting in person or by proxy at a meeting duly called for that purpose may redeem the Rights at \$0.001 per Right. Right will be deemed to have been redeemed by the ECT Trustees following completion of a Permitted Bid, Competing Permitted Bid or Exempt Acquisition.

Amendment

The ECT Trustees may amend the Rights Plan with the approval of a majority of the votes cast by Unitholders (or the holders of Rights if the Separation Time has occurred) voting in person and by proxy at a meeting duly called for that purpose. The ECT Trustees without such approval may correct clerical or typographical errors and, subject to approval as noted above at the next meeting of the Unitholders (or holders of Rights, as the case may be), may make amendments to the Rights Plan to maintain its validity due to changes in applicable legislation.

ECT Trustees

The Rights Plan will not detract from or lessen the duty of the ECT Trustees to act honestly and in good faith with a view to the best interests of the Fund. The ECT Trustees, when a Permitted Bid is made, will continue to have the duty and power to take such actions and to make such recommendations to Unitholders as are considered appropriate.

Exemptions for Investment Advisors

Investment advisors (for fully managed accounts), trust companies (acting in their capacities as trustees and administrators), statutory bodies whose business includes the management of funds and administrators of registered pension plans acquiring greater than 20% of the Trust Units are exempted from triggering a Flip-in Event, provided that they are not making, or are not part of a group making, a take-over bid.

APPENDIX D

ECT AUDITOR RESOLUTION

BE IT RESOLVED, as a special resolution of the Unitholders of Enbridge Income Fund, that:

1. the Fund Trust Indenture be amended by deleting paragraph 10.1(a)(ii).
2. the Fund Trustee, or the Administrator on its behalf, is hereby authorized and directed to vote the units of ECT held by the Fund to approve amendments to the ECT Trust Indenture as described and set forth in the Information Circular dated March 1, 2006 of Enbridge Income Fund (the “**Circular**”);
3. the Fund Trustee and the Administrator (and any director or officer of the Administrator on its behalf) are hereby authorized and directed for and in the name of and on behalf of the Fund, to execute all such documents and to do all such other acts and things as such person may determine to be necessary or advisable to give effect to these resolutions including, without limitation, effecting all such further, other and consequential amendments to the Fund Trust Indenture, ECT Trust Indenture and any other relevant agreements as the Administrator may consider appropriate and consistent with the intent of the foregoing amendments, including entering into an amendment and restatement of the Fund Trust Indenture and ECT Trust Indenture to give effect to such amendments;
3. notwithstanding the foregoing, the Administrator may, without further approval of the Unitholders, revoke this resolution at any time before it is acted on; and
4. any capitalized term used in this resolution and not otherwise defined herein shall have the meaning ascribed to that term in the Circular.