

March 11, 2016

# Enbridge Income Fund Holdings Inc.

Management Information Circular

## Notice of Meeting and Management Information Circular

Annual Meeting of  
the Shareholders to  
be held on May 12, 2016  
in Calgary, Alberta

## Notice of annual meeting of shareholders

NOTICE IS HEREBY GIVEN that an annual meeting ("**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Enbridge Income Fund Holdings Inc. (the "**Corporation**") will be held on Thursday, May 12, 2016 at 10:00 a.m. (Calgary time) in the Palomino F-H Room, BMO Centre, Stampede Park, 20 Roundup Way S.E., Calgary, Alberta for the purposes of:

This Notice of Meeting is accompanied by a Management Information Circular ("**Circular**") dated March 11, 2016 and a voting instruction form or a form of proxy (as applicable). Shareholders are referred to the accompanying Circular for more detailed information regarding the matters to be considered at the Meeting.

The Directors have fixed March 23, 2016 as the record date. Shareholders of record at the close of business on March 23, 2016 are entitled to notice of the Meeting and to vote thereat or at any adjournment thereof, except to the extent that a person has transferred any Common Shares after that date and the new holder of such Common Shares establishes proper ownership and requests, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting.

In order to be valid and acted upon at the Meeting, proxies must be received by the Corporation, c/o CST Trust Company, the Registrar and Transfer Agent of the Corporation, at P.O. Box 721, Agincourt, Ontario M1S 0A1, Attention: Proxy Department, not later than 10:00 a.m. (Calgary time) on May 10, 2016, or if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Alberta, prior to the time of the adjourned Meeting.

If you are a non-registered holder of Common Shares and receive these materials through a broker or through another intermediary, you must complete, sign and return the voting instruction form in accordance with the instructions provided by such broker or other intermediary.

By order of the Board of Directors



**Debra J. Poon**

Corporate Secretary, Enbridge Income Fund  
Enbridge Management Services Inc.

DATED at Calgary, Alberta, this 11th day of March, 2016.

1. receiving the financial statements of the Corporation for the financial year ended December 31, 2015, together with the report of the auditors thereon;
2. appointing the auditors of the Corporation and authorizing the Directors to fix their remuneration;
3. electing Directors for the ensuing year; and
4. transacting such other business that may properly come before the Meeting or any adjournment thereof.

# Management information circular

## Solicitation of Proxies

This information circular (the “**Circular**”) dated March 11, 2016 is furnished in connection with the solicitation by Management of Enbridge Income Fund Holdings Inc. (the “**Corporation**”) of proxies from holders (“**Shareholders**”) of common shares (“**Common Shares**”) of the Corporation for use at the annual meeting (the “**Meeting**”) of the Shareholders to be held on Thursday, May 12, 2016 at 10:00 a.m. (Calgary time) in the Palomino F-H Room, BMO Centre, Stampede Park, 20 Roundup Way S.E., Calgary, Alberta and at any adjournment thereof, for the purposes set out in the accompanying notice of the Meeting (“**Notice of Meeting**”). Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile, electronic mail or oral communication by the Directors and by officers of Enbridge Management Services Inc. (the “**Manager**”). The cost of such solicitation will be borne by the Corporation and reimbursed by Enbridge Commercial Trust (“**ECT**”).

The Corporation will be utilizing “notice and access” for this Meeting and will not be sending proxy-related materials directly to beneficial owners of Common Shares. Proxy-related materials can be accessed at: [www.meetingdocuments.com/cst/enf](http://www.meetingdocuments.com/cst/enf) or on SEDAR at [www.sedar.com](http://www.sedar.com). The Corporation has also elected to use the “stratification” process under “notice and access”, such that paper copies of the proxy-related meeting materials, audited financial statements and Management’s Discussion & Analysis (“**MD&A**”), both for the year ended December 31, 2015, will be mailed to registered holders of Common Shares while beneficial owners of Common Shares (both “**OBOs**” and “**NOBOs**”) will receive a “notice and access” notice containing certain prescribed information and a voting instruction form. Beneficial owners of Common Shares who have specifically requested proxy-related materials or financial statements and MD&A, either from the Corporation directly or through the Supplemental Mailing List maintained by the Corporation, will receive paper copies of the requested materials. The terms used in the preceding sentence are as defined in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

## Appointment and Revocation of Proxies

The persons named in the accompanying form of proxy are a Director and an executive officer of the Corporation. **A Shareholder who wishes to attend the Meeting and vote in person must write his or her name in the place provided for that purpose on the form of proxy. A Shareholder can also write the name of someone else (who is not required to be a Shareholder) whom he or she wishes to attend the Meeting and vote on the Shareholder’s behalf.** Unless prohibited by law, the person whose name is written in the space provided will have full authority to present matters at the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in the form of proxy or the Circular. Such Shareholder should notify the nominee of his or her appointment and instruct the nominee on how the Shareholder’s Common Shares are to be voted. A Shareholder should consult a legal advisor if he or she wishes to modify the authority of that person in any way. For assistance, contact CST Trust Company at 1-800-387-0825 or 1-416-682-3860 or by facsimile to 1-888-249-6189.

A proxy will not be valid for the Meeting or any adjournment thereof unless it is signed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, it must be executed under corporate seal or by a duly authorized officer or attorney of the corporation and delivered to the Corporation, c/o CST Trust Company, the Registrar and Transfer Agent of the Corporation, at P.O. Box 721, Agincourt, Ontario M1S 0A1, Attention: Proxy Department, not later than 10:00 a.m. (Calgary time) on May 10, 2016, or if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Alberta, prior to the time of the adjourned Meeting.

Shareholders whose Common Shares are registered in their names may also vote their shares using a touch-tone telephone by calling 1-888-489-5760 (toll-free) or through the internet at [www.cstvotemyproxy.com](http://www.cstvotemyproxy.com). If voting by phone or on the internet, please follow the instructions carefully and ensure that you have your proxy in hand as you will be required to enter the control number located on the proxy. Your vote must be received not later than 10:00 a.m. (Calgary time) on May 10, 2016, or if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and statutory holidays in the Province of Alberta, prior to the time of the adjourned Meeting. **If you wish to attend the Meeting in person or appoint someone else to attend on your behalf, you must do so either by the internet or by mail.** The telephone voting service is not available for this purpose.

A Shareholder who has given a proxy may revoke it, in any manner permitted by law, including by instrument in writing, executed by the Shareholder or by his or her attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney of such corporation and deposited with CST Trust Company, at the address specified above at any time up to and including

the last business day preceding the day of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof.

## Advice to Beneficial Holders of Common Shares

**The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name.** Shareholders who do not hold Common Shares in their own name (“**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holder of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the majority of Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and other intermediaries are prohibited from voting Common Shares for their clients. Therefore, **Beneficial Shareholders should ensure that the instructions regarding the voting of their Common Shares are communicated to the appropriate person on a timely basis.**

Applicable regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholder meetings. Each broker or other intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. In some cases, the voting instruction form provided to Beneficial Shareholders by their broker or other intermediary is very similar, even identical, to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder (the broker or other intermediary, or an agent thereof) on how to vote on behalf of the Beneficial Shareholder. Most brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form which is mailed to Beneficial Shareholders with a request that Beneficial Shareholders return the forms to Broadridge or follow specified telephone or internet-based voting procedures. Broadridge then tabulates the results of the voting instructions received and provides appropriate instructions regarding the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge or voting instructions communicated to Broadridge well in advance of the Meeting in order to have such Common Shares voted at the Meeting.**

**Beneficial Shareholders who wish to attend the Meeting and vote their Common Shares must do so as proxyholder for the registered Shareholder. They should contact their broker, agent or other intermediary well in advance of the Meeting for specific instructions on how to do so.** Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker or other intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote his or her beneficially-owned Common Shares in that capacity. If a Beneficial Shareholder wants to attend the Meeting and vote in person, he or she must write his/her name in the place provided for that purpose in the voting instruction form. The Beneficial Shareholder can also write the name of someone else whom he or she wishes to attend the Meeting and vote on behalf of the Beneficial Shareholder. Unless prohibited by law, the person whose name is written in the space provided will have full authority to present matters at the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in the voting instruction form or the Circular. A Beneficial Shareholder should consult a legal advisor if he or she wishes to modify the authority of that person in any way. For assistance, contact your broker, agent or other intermediary.

## Voting of Proxies

All Common Shares represented at the Meeting by a properly executed proxy will be voted on any ballot that may be called for, and where a choice with respect to any matter to be acted upon has been specified in the proxy, the Common Shares represented by the proxy will be voted or withheld from voting in accordance with such specification. **In the absence of any such specification or instruction, the persons whose names appear on the form of proxy, if named as proxies, will vote in favour of all of the matters set out in the Notice of Meeting.**

**The enclosed form of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting.** As of the date hereof, Management is not aware of any amendments, variations or other matters to be presented for action at the Meeting. If, however, amendments, variations or other matters properly come before the Meeting, the persons designated in the form of proxy will vote thereon in accordance with their judgment pursuant to the discretionary authority conferred by such proxy with respect to such matters.

## VOTING SHARES AND PRINCIPAL HOLDERS

The Corporation has authorized capital consisting of an unlimited number of Common Shares, First Preferred Shares, issuable in series and limited to one-half of the number of Common Shares issued and outstanding at the relevant time, and one Special Voting Share. As at March 11, 2016, an aggregate of 97,308,386 Common Shares, no First Preferred Shares and one Special Voting Share were issued and outstanding as fully paid and non-assessable.

Shareholders of record as of the close of business on March 23, 2016 are entitled to receive notice of and vote at the Meeting on the basis of one vote for each Common Share held, except to the extent that a registered Shareholder has transferred the ownership of any Common Shares, subsequent to March 23, 2016 and the transferee produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than 10 days before the Meeting, that his or her name be included on the Shareholder list for the Meeting, in which case, the transferee shall be entitled to vote his or her Common Shares at the Meeting. The transfer books will not be closed.

Pursuant to a Governance Agreement entered into effective September 1, 2015 between the Corporation and Enbridge Inc. (“**Enbridge**”), Enbridge has the right to nominate an independent member of the Enbridge board of directors for election to the Board of Directors of the Corporation (“**Board**”) when Enbridge and its affiliates beneficially own 19.9% or more of the Common Shares. Enbridge has nominated Charles W. Fischer, an incumbent Director, for election to the Board at the Meeting. As the holder of the Special Voting Share, Enbridge is entitled to receive notice of and to attend the Meeting, and at its option, to elect one Director for so long as it beneficially owns or controls, directly or indirectly, between 15% and 39% of the issued and outstanding Common Shares. If Enbridge exercises its right to elect one Director, it will not exercise the votes attaching to the portion of its Common Shares representing its pro-rata representation on the Board in respect of the election of the remaining Directors at the Meeting. Therefore, if Enbridge exercises its right pursuant to the Special Voting Share to elect either J. Richard Bird or Catherine L. Williams as a Director, it may only vote 3,148,268 Common Shares in respect of the election of the remaining Directors.

To the knowledge of the Directors and of the senior officers of the Manager, the following sets out the only persons, firms or corporations, owning of record or beneficially, controlling or directing, directly or indirectly, 10% or more of the issued and outstanding Common Shares:

Name	Type of Ownership	Number of Common Shares Held	% of Common Shares Owned
CDS & Co.	Of Record	77,920,060	80.1%
Enbridge Inc.	Of Record and Beneficial	19,366,333	19.9%

## EXECUTIVE COMPENSATION

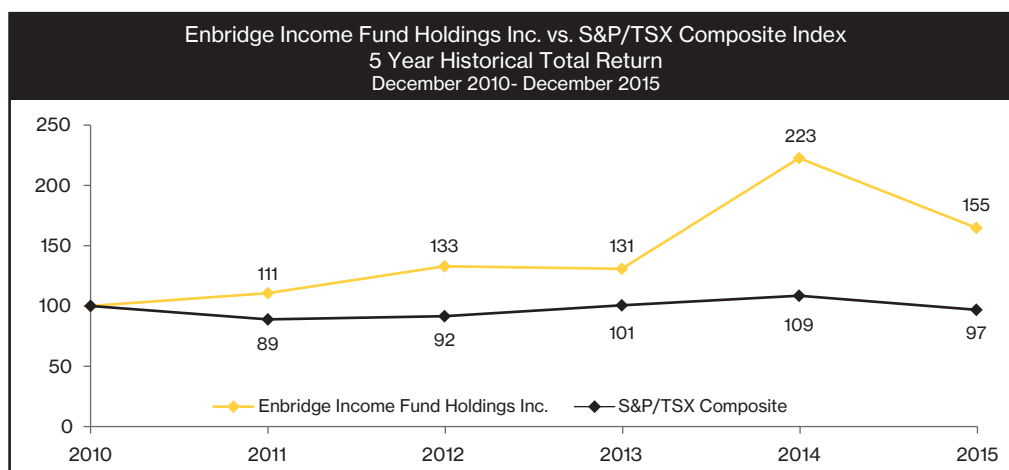
In the financial year ended December 31, 2015, Perry F. Schulhaus was the President of the Corporation and Wanda M. Opheim was the Chief Financial Officer of the Corporation (collectively, the “**Named Executive Officers**”). The Named Executive Officers are also senior officers of the Manager and employees of Enbridge. The Corporation did not have any other executive officers or employees. Certain management and administrative services are provided by the Manager or its affiliates through a management and administrative services agreement. See “*Management Contract*”. No compensation was paid to the Manager by the Corporation in the most recently completed financial year.

The officers and directors of the Manager are also employees of Enbridge. The Named Executive Officers and the other officers of the Manager do not receive compensation in respect of the services they provide to the Corporation. Their compensation is determined and paid exclusively by Enbridge in their capacity as employees of Enbridge and no portion is allocated or attributed to the services they provide to the Corporation.

The Corporation does not grant any share-based or option-based awards nor does it maintain any equity or non-equity incentive compensation plans, pension plans or other benefit plans for its Directors and executive officers. Executive officers and Directors are prohibited from purchasing financial instruments (including forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in the market value of the Common Shares.

## Performance Graph

The following chart compares the total return (assuming reinvestment of dividends) for an individual who invested \$100 in Units on December 31, 2010 (and held Common Shares on December 31, 2015) with the cumulative total return of the S&P/TSX Composite Index for the five year period ended December 31, 2015.



The ability of the Corporation to declare and pay dividends on the Common Shares is wholly-dependent on the declaration and payment of distributions by Enbridge Income Fund (the “Fund”) on its ordinary units (“Fund Units”) and the satisfaction of solvency and liquidity tests under the *Business Corporations Act* (Alberta). The Corporation targets to pay-out a high proportion of the cash it receives from the Fund, after retaining prudent reserves for contingencies and with the objective of providing a stable and predictable dividend stream, in the form of monthly dividends on the Common Shares. The Manager provides both management and administrative services to both the Fund and the Corporation. See “*Management Contract*”. Since the variable component of the Manager’s compensation (the incentive fee) paid by the Fund is directly linked to the amount of cash distributions made to holders of Fund Units, the Manager’s incentive fee has increased over the relevant five year period in direct proportion to increases in distributions during the same period, both from an increase in the per Fund Unit amount and in the number of Fund Units held by the Corporation. Based on the design of these contractual arrangements and compensation programs, trends in the Manager’s compensation generally correlate more closely to cash distribution trends than to overall shareholder return trends.

## Director Compensation

Directors who are also trustees of ECT do not receive compensation from the Corporation for meetings held on the same dates as those of the ECT Board of Trustees (“ECT Board”). The Corporation paid the aggregate amount of \$7,500 (representing a meeting fee of \$1,500 per Director to the five independent Directors) in respect of a meeting held on September 29, 2015. All of the Directors were also Trustees of ECT as at December 31, 2015, except for Dr. M. Elizabeth Cannon, who resigned on November 4, 2015. ECT only pays compensation to the independent ECT Trustees and the compensation received by the independent ECT Trustees for acting in such capacity for the year ended December 31, 2015 is set forth in the Annual Information Form of the Fund dated February 19, 2016 (“Fund AIF”) which may be viewed on SEDAR at [www.sedar.com](http://www.sedar.com). On March 1, 2016, the ECT Board approved an increase to the compensation for the independent ECT Trustees effective October 1, 2015. Each Director, as an ECT Trustee, will receive an annual retainer of \$120,000 from ECT. A travel fee of \$1,500 will be paid where applicable, but no additional fees will be paid for Board or Committee meetings. The ECT Board Chair (Mr. Roberts) will receive an annual retainer from ECT of \$50,000, the ECT Audit, Finance & Risk Committee Chair (Mr. Waterman) will receive an annual retainer from ECT of \$24,000, the ECT Safety & Reliability Chair (Mr. Fischer) will receive an annual retainer from ECT of \$10,000 and the ECT Conflicts Committee Chair (Mr. Frank) will receive an annual retainer from ECT of \$10,000.

## Management Contract

Responsibility for the day-to-day management and general administration of the Corporation has been delegated to the Manager pursuant to a Management and Administrative Services Agreement dated December 17, 2010 (the “Services Agreement”) between the Corporation and the Manager. The Services Agreement provides that the Manager may delegate the performance of certain services to any Person, including affiliates of the Manager, without the prior written consent of the Corporation, provided that such delegation shall not relieve the Manager of the responsibility for the performance of the services. The Services Agreement provides that the Manager shall not: (a) charge or receive fees or expense reimbursements for the performance of services other than as provided for in the

Services Agreement unless the prior written approval of a majority of the independent Directors is obtained; and (b) have the authority to enter into or commit to any transaction which, in accordance with applicable laws, requires the approval of the Shareholders or the Board, without first obtaining such approval.

The Services Agreement has an initial term until June 30, 2023 and is automatically renewed for additional successive five year terms unless the Manager provides at least 180 days written notice prior to the expiry of the initial term or renewal term of its intention not to renew the Services Agreement. The Services Agreement may also be terminated by either the Corporation or the Manager, if the other is in default under the Services Agreement.

Provided that a fee arrangement exists between the Manager and the Fund, no fee is payable by the Corporation to the Manager in connection with the provision of services by the Manager under the Services Agreement. The Manager is providing administrative and general support services to the Fund pursuant to an Amended and Restated Administrative Services Agreement dated December 17, 2010 among the Manager, the Trustee of the Fund, the Fund and ECT and is also providing management and general administration services to ECT pursuant to a Management Agreement between the Manager and ECT, which was amended and restated on December 17, 2010 (the "**Management Agreement**"). See "*Trustees, AFR Committee and Management – Management Contracts*" in the Fund AIF which can be viewed on SEDAR at [www.sedar.com](http://www.sedar.com) for a more detailed description of these agreements as well as other agreements relating to the provision of management services by the Manager and an affiliate of the Manager to the Fund and its subsidiaries.

Information relating to the directors and the executive officers of the Manager providing services to the Fund and its affiliates, including their names, provinces of residence, position with the Manager and principal occupation, is set forth under the heading "*Directors, Officers and Management – The Manager*" in the Annual Information Form of the Corporation dated February 19, 2016 ("**AIF**"). Enbridge owns all of the issued and outstanding shares of the Manager. Information concerning transactions or arrangements between the Corporation and Enbridge, its associates or affiliates is set forth under the heading "*Related Party Transactions*" in the annual financial statements, and under the heading "*Related Party Transactions*" in the MD&A of the Corporation for the year ended December 31, 2015. The disclosure referenced in this paragraph is incorporated by reference into this Circular and may be viewed on SEDAR at [www.sedar.com](http://www.sedar.com).

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The only material interest, direct or indirect, of any informed person of the Corporation (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*), any proposed Director of the Corporation, or any associate or affiliate of any informed person or proposed Director of the Corporation, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries, is as follows:

1. The Manager, a wholly-owned subsidiary of Enbridge, is responsible for providing management and administrative services to the Corporation, the Fund and ECT, and will receive compensation from the Fund and ECT for such services. No fee was paid by the Corporation to the Manager as a fee was paid by the Fund to the Manager. See the Fund AIF filed on SEDAR at [www.sedar.com](http://www.sedar.com) for disclosure of amounts paid by the Fund and ECT to the Manager.
2. On September 1, 2015, Enbridge completed a restructuring transaction (the "**2015 Transaction**") whereby Enbridge's Canadian Liquids Pipelines businesses, including the Canadian Mainline System held by Enbridge Pipelines Inc. and its regional oil sands system held by Enbridge Pipelines (Athabasca) Inc., together with four Canadian wind facilities and associated secured growth capital programs were transferred to an Enbridge Income Partners LP ("**EIPLP**"), which at the time was a subsidiary of the Fund, for the aggregate price of \$30.4 billion plus incentive/performance rights. Following completion of the 2015 Transaction, Enbridge owned 57.2% of the Fund Units and the Corporation owned the remaining 42.8% of the Fund Units.
3. In connection with the 2015 Transaction, the Corporation entered into an Exchange Right Support Agreement with Enbridge and IPL System Inc. ("**IPL**"), a wholly-owned subsidiary of Enbridge whereby Fund Units, ECT Preferred Units, ECT Class B Units and EIPLP Class C Units (collectively, the "**Exchangeable Securities**") may be exchanged, from time to time, in whole or in part, into Common Shares on a one-to-one basis subject to adjustment in respect of anti-dilution and economic equivalence. Enbridge and IPL are required to immediately sell any Common Shares issued pursuant to the Exchange Right Support Agreement which would result in Enbridge and IPL jointly owning more than 19.9% of the Common Shares. Concurrent with the Exchange Right Support Agreement, the Corporation entered into a Registration Rights Agreement with Enbridge and IPL. See "*Material Contracts*" in the AIF filed on SEDAR at [www.sedar.com](http://www.sedar.com).
4. The Corporation and Enbridge each have a pre-emptive right to acquire any Fund Units proposed to be issued by the Fund in proportion to their respective economic interest in the Fund, taking into account the Exchangeable Securities owned by Enbridge. If the Corporation does not subscribe for its proportionate share of Units, its interest in the Fund may be diluted.

5. On November 6, 2015, the Corporation completed a bought deal offering of an aggregate of 21,475,000 Common Shares at a price of \$32.60 per Common Share for gross proceeds of \$700,085,000 and a concurrent private placement to Enbridge of an aggregate of 5,335,000 Common Shares at a price of \$32.60 per Common Share for gross proceeds of \$173,921,000, which enabled Enbridge to maintain its 19.9% holding of Common Shares. The Corporation used the gross proceeds of the offering and private placement to purchase an additional 26,810,000 Fund Units at a price of \$32.60 per Fund Unit, resulting in the Corporation holding 50.8% of the Fund Units and Enbridge holding the remaining 49.2% of the Fund Units.

The address of Enbridge and the Manager is 200, 425 – 1st Street SW, Calgary, Alberta.

## INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

There is no material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, by any Director or executive officer of the Corporation or proposed nominee for election as a Director of the Corporation or any associate or affiliate of such persons, in any matter to be acted upon other than the election of Directors.

## AUDIT COMMITTEE

The disclosure required by National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), in Form 52-110F1 is contained in the AIF under the heading “*Directors, Officers and Management – Audit Committee Disclosure*”, which may be viewed on SEDAR at [www.sedar.com](http://www.sedar.com).

## CORPORATE GOVERNANCE

The disclosure relating to the Corporation’s corporate governance practices required by National Instrument 58-101 *Disclosure of Corporate Governance Practices*, in Form 58-101F1, is set out below.

The Board is committed to maintaining a high standard of corporate governance for the Corporation. The Board will assess the Corporation’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. While day-to-day management of the Corporation has been generally delegated to the Manager, the Board fulfills its responsibility for the broader stewardship of the Corporation through the structures, activities and procedures described in this section.

### Board of Directors

During the most recently completed financial year, the Board consisted of six Directors, the majority of whom were independent pursuant to the definition of independence set out in section 1.4 of NI 52-110. The independent Directors were: M. Elizabeth Cannon, Charles W. Fischer, E.F.H. (Harry) Roberts, Bruce G. Waterman and Brian E. Frank. Dr. Cannon resigned on November 4, 2015. Five of the six nominees for election to the Board are incumbent Directors. Although Mr. Fischer is a director of Enbridge, he is considered independent pursuant to the definition of independence set out in section 1.4 of NI 52-110. A Director is independent if he or she has no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a Director’s independent judgment. Certain types of relationships are by their very nature considered to be material relationships and are specified in sections 1.4 and 1.5 of NI 52-110. Mr. J. Richard Bird is not independent as he was the Executive Vice President, Chief Financial Officer & Corporate Development of Enbridge until December 31, 2014 and a senior executive officer of Enbridge until March 31, 2015. Enbridge is a principal Shareholder of the Corporation.



## Directorships

All of the current Directors are trustees of ECT. The ECT Board manages the business of the Fund, which is a reporting issuer in all of the Provinces of Canada, but does not have securities listed on a stock exchange or market. The following Directors were also directors of other reporting issuers (or the equivalent) as set forth below.

Name of Director	Name of Issuer	Stock Exchange Listing
J. Richard Bird	Bird Construction Inc. Enbridge Energy Management, L.L.C. Enbridge Energy Partners, L.P. (director of the general partner, Enbridge Energy Company, Inc.) Gaz Métro inc. Enbridge Pipelines Inc.	TSX NYSE NYSE N/A N/A
Charles W. Fischer	Enbridge Inc. Enbridge Pipelines Inc. Pure Technologies Ltd.	TSX/NYSE N/A TSXV
Brian E. Frank	Enbridge Pipelines Inc.	N/A
E.F.H. (Harry) Roberts	Enbridge Pipelines Inc. Canadian Oil Sands Limited	N/A TSX
Bruce G. Waterman	Enbridge Pipelines Inc. Encana Corporation	N/A TSX/NYSE

The Directors have adopted a practice of meeting *in camera*, without the non-independent Director or any representatives of the Manager in attendance, as a routine part of each regularly scheduled Board meeting. In the most recently completed financial year, the Board of Directors held *in camera* sessions at each scheduled Board and Audit Committee meeting. All members of the Audit Committee are independent Directors and an *in camera* session is held at the end of each Audit Committee meeting, in which the independent Directors meet with the internal audit services provider, the Corporation's external auditor and alone as a committee.

Mr. E.F.H. Roberts, an independent Director, is the Chair of the Board. The Chair of the Board manages the affairs of the Board to achieve effective relations with Board members, Shareholders, stakeholders and the public, together with the Committees of the Board as constituted from time to time, the Manager, and representatives of the Fund.

Information about the Board and Audit Committee attendance record of each Director and Audit Committee member is included under "*Matters to be Acted Upon at the Meeting – Election of Directors*".

## Board Mandate

The Board has adopted Terms of Reference for the Board, the full text of which is attached to this Circular.

## Position Descriptions

The Board has included position descriptions for the Chair of the Board and the Chair of the Audit Committee in the respective Terms of Reference for the Board and Audit Committee. A copy of the Terms of Reference for the Board is attached to this Circular and a copy of the Audit Committee Terms of Reference is attached as Appendix A to the AIF, which is filed on SEDAR at [www.sedar.com](http://www.sedar.com). Both Terms of Reference may also be viewed on the Corporation's website, [www.enbridgeincomefund.com](http://www.enbridgeincomefund.com).

Although the President of the Corporation acts as CEO, substantially all of the management responsibilities and duties of the Corporation have been delegated to the Manager under the Services Agreement, including the roles and responsibilities typical for a chief executive officer of a Corporation. As such, no written position for the CEO of the Corporation has been developed.

## Orientation and Continuing Education

New Directors receive materials relating to the Corporation and the business of the Fund and may attend an orientation presentation to familiarize themselves with the Corporation, the Fund and their respective businesses, including current information on the corporate organizational structure, operations and strategy, risks, the current year business plan and financial information. New Directors are also provided with an opportunity to meet with the Manager and senior operations personnel to ask questions in order to obtain a comprehensive overview of the Corporation and Fund's governance, controls and management systems, structures, businesses, policies and procedures, as applicable. The Directors receive a Directors Manual that contains current general information about the Corporation, copies of the material contracts of the Corporation, as well as key policies, including disclosure and insider trading policies and the Terms of Reference for the Board, Audit Committee and for individual Directors.

As all of the Directors are ECT Trustees, they are familiar with the Fund's business. As ECT Trustees, they receive regular operational and project updates from management, regular reports from the Audit, Finance & Risk Committee, Safety & Reliability Committee, Conflicts Committee, regular updates relating to corporate and financial risks, IT and Human Resources, presentations from internal and external subject matter experts (which may also occur outside of formal board meeting times) on topics including operational, economic, strategic, financial, accounting, legal and governance matters relevant to the Fund, to provide continuing education, ECT Trustees also attend an annual strategic planning session and may make periodic site visits of the Fund's business operations. Each ECT Trustee has been provided with a Trustees' Manual that contains general information about the Fund and its structure, copies of the Fund's key policies including disclosure and insider trading policies, the Fund's material contracts and the Terms of Reference for the ECT Board, each Committee of the Board and individual ECT Trustees.

## Ethical Business Conduct

Since the Corporation does not itself carry on any active business operations, has no employees and has delegated the day-to-day management of the Corporation to the Manager, the Board has not adopted a written code of ethical business conduct. Under the Terms of Reference for the Board, the Directors explicitly assume responsibility for requiring that the Manager operate at all times within applicable laws and regulations and to the highest ethical and moral standards. All of the directors and officers of the Manager are employees of Enbridge, which has adopted a written code of ethical business conduct. A copy of this code has been filed by Enbridge on SEDAR at [www.sedar.com](http://www.sedar.com). Enbridge monitors compliance with its code and provides a written report to the Directors confirming compliance. Further, all of the directors and officers of the Manager, as well as employees and contractors of Enbridge who provide operational and management services to the Fund's businesses are subject to the Statement on Business Conduct adopted by the board of directors of Enbridge.

Pursuant to the *Business Corporations Act* (Alberta), Directors and officers must declare their interests in a material transaction or proposed material transaction involving the Corporation and are precluded from voting on the resolutions to approve such transaction. Further, conflicted Directors may be excluded from any meeting held to consider such a transaction. If a proposed significant transaction involves Enbridge or an affiliate of Enbridge, the Board will generally constitute a special committee of independent Directors to consider the proposed transaction and make recommendations to the Board as a whole.

## Nomination of Directors

It is anticipated that the Board will be comprised of individuals who are also ECT Trustees and to the extent permitted under the ECT Trust Indenture and Articles of the Corporation, that all of the elected ECT Trustees (those who are not nominated or appointed by Enbridge Inc. to the ECT Board) will be appointed or proposed for election to the Board. The ECT Trust Indenture was amended and restated as of September 1, 2015 in connection with the 2015 Transaction and included the formation of a Nominating Committee comprised of independent ECT Trustees to recommend nominees for election or appointment to the ECT Board. In the past, nominating committees were constituted as required. The Nominating Committee may engage an independent recruitment firm to locate suitable candidates. In the past, as part of the nominating process as well as the ongoing assessment process, the nomination committee, Manager and ECT Trustees (as applicable) consider the mix of skill sets and experience represented on the ECT Board, in relation to its effectiveness and the Fund's needs. No predetermined mix of skill sets or experience is mandated; instead the process involves an ongoing assessment to determine the requirements at the time that vacancies or potential vacancies are identified. The Manager and the ECT Trustees have established an experience matrix that shows the ECT Trustees' collective mix of experience in 13 categories that are considered important to the Fund's business, and apply to succession planning and recruiting activities for the ECT Board. The categories are set out under the heading "*The Fund's Governance Practices – Nomination of Independent ECT Trustees*" in the Fund AIF which has been filed on SEDAR at [www.sedar.com](http://www.sedar.com).

## Compensation

The compensation of the Directors is determined and paid in their capacity as ECT Trustees. The ECT compensation program in effect during 2015 was approved by the ECT Board in November 2014, after considering the recommendations of an independent compensation advisory firm. As a result of governance changes in connection with the 2015 Transaction, including changes to the composition of the ECT Board, the increased mandate of the ECT Audit, Finance & Risk Committee and the additional standing committees of the ECT Board, the Manager engaged an independent compensation advisory firm to review and provide recommendations for compensation of ECT Trustees. On March 1, 2016, based on such recommendations, the ECT Board approved increases to the annual and Chair retainers to be paid to the ECT Trustees, retroactive to October 1, 2015. See "*Executive Compensation – Director Compensation*". The Manager generally reviews the compensation program for the independent ECT Trustees, including the Chairman and the chair of any standing committees, on an annual basis and will engage an independent compensation advisory firm at least biennially. The Manager evaluates known general industry marketplace practices and conditions, the roles and responsibilities of the ECT Board and also benchmarks the ECT Trustees' compensation program in comparison with the

programs of a suitable peer group. The Manager may also engage the services of an outside consultant to provide specific support in evaluating these factors. If changes are deemed appropriate, the Manager makes recommendations to the ECT Board regarding the ECT Trustee compensation program and, pursuant to the ECT Trust Indenture, the compensation program is to be approved by the ECT Board. The compensation for any special committee or *ad hoc* committee is determined at the time such committee is constituted.

The President and the Chief Financial Officer are the only officers of the Corporation. They and the other officers of the Manager do not receive any compensation in respect of the services they provide to the Corporation. Their compensation is determined and paid exclusively by Enbridge in their capacity as employees of Enbridge and no portion is allocated or attributed to the services they provide to the Corporation. See “*Executive Compensation*”.

## Other Board Committees

The Board does not have any standing committees other than the Audit Committee. It may from time to time establish *ad hoc* committees if the circumstances warrant.

## Assessments

The Board conducts an annual survey of all Directors to assess the effectiveness of the Board as a group and the Audit Committee as a group. The assessment program also involves an individual peer assessment of each Director as well as an assessment of the Chair of the Board and the Audit Committee by their respective members. Each Director or Audit Committee member, as applicable, completes a written survey which is returned to the Corporate Secretary of the Manager, who compiles the results under the supervision of the Chair of the Board or Audit Committee, as applicable and the results are presented *in camera* to the members of the Board or Audit Committee, as applicable.

## Director Term Limits

As all of the Directors are also ECT Trustees and compensated by ECT, the Board has not adopted a policy relating to term limits. The ECT Board adopted an ECT Trustee Retirement Policy on May 5, 2008 which provides for mandatory retirement at the next annual meeting of unitholders of the Fund following an ECT Trustee attaining the age of 70, unless prior to reaching the age of 70 he or she has requested a two year extension and such extension has been unanimously approved by the other ECT Trustees then in office. In such case, the ECT Trustee may continue to serve until the first annual meeting of unitholders of the Fund following his or her 72<sup>nd</sup> birthday. A peer review must be completed in the 12 month period prior to the vote on the two year extension and an extending ECT Trustee is not eligible to be the Chair of the ECT Board or the Chair of any ECT Board committee.

## Diversity Policy

The Board adopted a written Diversity Policy on February 9, 2015 (the “**Diversity Policy**”), which applies to the Board and the Manager relating to the identification and nomination/appointment of qualified individuals. The Diversity Policy recognizes that a diverse board and management will enhance decision making by utilizing differences in perspective, which is important for effective corporate governance and commercial success of the Corporation. The Diversity Policy provides that the Board shall seek to fill vacancies by considering candidates that bring a diversity of background and industry or related expertise and experience to the Board, including professional experience, educational background, skills and knowledge, as well as diversity considerations such as gender, age, ethnicity, nationality and cultural background. In identifying candidates for appointment as senior management of the Manger, the Manager shall consider candidates based on the afore-described criteria as well as merit. In addition, the Manager shall aspire to have at least one-third of its officer roles which provide services to the Corporation occupied by women.

Currently, as a result of Dr. Cannon’s resignation, all of the five remaining Directors are men. Of the two executive positions, one is held by a woman (50%) and women hold three of the five (60%) officer positions in the Manager which provide services to the Fund and the Corporation. The Diversity Policy provides that the Manager will monitor the implementation of the policy and report to the Board on the achievement of the measurable objectives for promoting diversity. The Diversity Policy will be reviewed periodically.

The ECT Board has adopted a similar diversity policy and has adopted an aspirational target that one-third of the ECT Trustees that are not appointed by Enbridge be women, which is consistent with the aspirational target of Enbridge Inc. for its independent directors. The Board has determined that it is appropriate to be consistent with the aspirational targets set by both ECT and Enbridge Inc., and has set an aspirational target that women represent at least one-third of the Directors who are not nominated or appointed by Enbridge Inc. Enbridge Inc. is entitled to nominate one individual for election as a Director and if it elects to exercise its rights under the Special Voting Share, it may elect another Director. Therefore, two of the six Director positions could be directed by Enbridge Inc.

Enbridge Inc. also aspires to have at least one-third of senior management roles at Enbridge Inc. occupied by women. The officers of the Manager who provide services to the Corporation are determined solely by the Manager, a wholly-owned subsidiary of Enbridge Inc. As such, the Board determined that it would be appropriate to be consistent with the Enbridge Inc. aspirational target and has set an aspirational target that at least one-third of the senior management roles in the Corporation will be held by women.

## ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com) or on the Corporation's website at [www.enbridgeincomefund.com](http://www.enbridgeincomefund.com). Financial information is provided in the Corporation's annual financial statements and MD&A for the year ended December 31, 2014, copies of which are filed on SEDAR and can be obtained by contacting Investor Relations by: mail at 200, 425 – 1st Street SW, Calgary, Alberta, Canada, T2P 3L8; telephone at 1-800-481-2804; and email through the Corporation's website under the heading "Find Shareholder Information – Investor Information Kit". Upon request, the Corporation will promptly provide a copy of any document expressly incorporated by reference in this Circular to a security holder of the Corporation free of charge.

## BUSINESS OF THE MEETING

### Financial Statements and Auditors Report

The audited financial statements of the Corporation for the financial year ended December 31, 2015 are included with the proxy materials for consideration by the Shareholders.

The Corporation is providing concurrent with this Circular, a request form to all registered and beneficial Shareholders for use to request a copy of the Corporation's annual financial statements and annual MD&A and/or interim financial statements and interim MD&A. Shareholders must complete and return the request form, make a request online or provide a written request to the Corporation, in order to receive financial statements and MD&A from the Corporation. Shareholders are encouraged to complete the request form in accordance with the return instructions provided thereon and return it with the completed form of proxy, in the addressed envelope provided, to CST Trust Company at P.O. Box 721, Agincourt, Ontario M1S 0A1, Attention: Proxy Department. Alternatively, Shareholders can request the financial statements and MD&A through the CST Trust Company website address set out in the form of proxy or by returning the request form directly to the Corporation at 200, 425 – 1st Street SW, Calgary, Alberta, Canada, T2P 3L8, Attention: Investor Relations.

### Appointment of Auditor

PricewaterhouseCoopers LLP, Chartered Accountants were first appointed the Auditor of the Corporation on March 26, 2010. Shareholders will be asked to vote for the appointment of PricewaterhouseCoopers LLP as Auditor of the Corporation, to hold office until the next annual meeting of the Shareholders or until their successors are duly elected or appointed, at a remuneration to be fixed by the Board. Approval of the ordinary resolution requires the affirmative vote of a majority of the votes cast in respect of the resolution by Shareholders represented at the Meeting. **The persons designated in the enclosed form of proxy intend to vote FOR the appointment of PricewaterhouseCoopers LLP, as Auditor of the Corporation, unless instructed otherwise.**

### Election of Directors

There are currently five Directors on the Board, whose term of office all expire at the Meeting. All of the current Directors have agreed to stand for re-election. The Articles of the Corporation provide for a minimum of six Directors. Management proposes that the incumbent Directors: J. Richard Bird, Charles W. Fischer, Brian E. Frank, E.F.H. (Harry) Roberts and Bruce G. Waterman who were elected at the last meeting of Shareholders held on May 4, 2015, as well as Catherine L. Williams be elected as Directors at the Meeting to hold office until the next annual meeting of Shareholders or until their successors are elected or appointed. All of the nominees are ECT Trustees.

The following table sets forth, for all persons to be nominated for election as Directors, their principal occupations, periods during which they have served as Directors, the number of Common Shares beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction, attendance at meetings of the Board or committees of the Board during the year ended December 31, 2015 and other public issuers on which they serve as board and/or committee members, based on information provided to the Corporation by the respective nominees. No Directors hold any other positions with the Corporation.

## J. Richard Bird



Age: 66  
Calgary, Alberta  
Director since  
December 17, 2010

Mr. Bird is an ECT Trustee. He held a number of senior executive officer positions with Enbridge Inc. from 1995 to March 31, 2015, including Executive Vice-President, Chief Financial Officer & Corporate Development. Prior to joining Enbridge, he held senior financial and corporate development executive positions at a number of other companies. He holds a B.A. from the University of Manitoba and a MBA and Ph.D. (Managerial Economics) from the University of Toronto, and is a graduate of the Advanced Management Program at Harvard University. Mr. Bird is also a director of Alberta Investment Management Company and a member of the Investment Committee of the University of Calgary Board of Governors. He was named Canada's CFO of the Year for 2010.

Enbridge Income Fund Board/Board committee memberships		2015 meeting attendance
Board		7/7
<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>		
378,000		
Current Reporting Issuer Board Memberships		
Company	Term on Board	Committee/Chair
Bird Construction Inc. (construction)	1987-present	Audit Personnel & Safety
Enbridge Energy Management, L.L.C. (management)	2003-2008 2012-present	
Enbridge Energy Partners, L.P. (director of the general partner, Enbridge Energy Company Inc.)	2003-2008 2012-present	
Gaz Métro inc. (general partner of Gaz Métro Limited Partnership)	2010-present	
Enbridge Pipelines Inc. (pipelines)	2002-2014 2015-present	

## Charles W. Fischer



Age: 65  
Calgary, Alberta  
Director since  
February 1, 2011

Mr. Fischer is an independent ECT Trustee, Chair of the ECT Safety & Reliability Committee and a member of the ECT Audit, Finance & Risk Committee. He was the President & Chief Executive Officer of Nexen Inc. (oil and gas) from 2001 to 2008. He had been with Nexen Inc. since 1994, holding various executive positions, including Executive Vice President & Chief Operating Officer responsible for Nexen Inc.'s conventional oil & gas business in Western Canada, the US Gulf Coast and all international locations, as well as oil sands, marketing and information systems activities worldwide. Mr. Fischer holds a B.Sc. (Chemical Engineering) and a MBA, both from the University of Calgary. He is on the Board of Alberta Innovates – Energy & Environment Solutions and the Climate Change and Emission Management Corporation.

Enbridge Income Fund Board/Board committee memberships		2015 meeting attendance
Board		7/7
<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>		
27,100		
Current Reporting Issuer Board Memberships		
Company	Term on Board	Committee/Chair
Enbridge Inc. (energy transportation & distribution)	2009-present	Audit, Finance & Risk Human Resources & Compensation Safety & Reliability (Chair)
Pure Technologies Ltd. (asset management technology & services)	2009-present	Audit Compensation
Enbridge Pipelines Inc. (pipelines)	2015-present	Audit, Finance & Risk Safety & Reliability (Chair)

## Brian E. Frank



Age: 58  
Calgary, Alberta

Director since  
May 5, 2014

Mr. Frank is a member of the Audit Committee, an independent ECT Trustee, Chair of the ECT Conflicts Committee and a member of the ECT Audit, Finance & Risk Committee and Safety & Reliability Committee. He has extensive senior executive experience in the natural resources industry. He was the President and CEO of TimberWest Forest Corp. (timber and land management) from 2012 to 2014. From 1995 to 2011, Mr. Frank held several senior executive positions in Canada and internationally, including Chief Executive, Global Oil Europe & Finance with BP Oil International in London, U.K., President, BP Energy Company in Houston, Texas and President & CEO, BP Canada Energy Company in Calgary. Mr. Frank also spent ten years early in his career at Natural Resources Canada in Ottawa. He holds a B.A. (Economics) and a M.A. (Public Administration) from Carleton University. Mr. Frank is on the Advisory Board of Cortex Business Solutions Inc. (TSXV).

Enbridge Income Fund Board/Board committee memberships	2015 meeting attendance
Board	7/7
Audit Committee	4/4
Special Committee	31/31

Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
10,000

Current Reporting Issuer Board Memberships		
Company	Term on Board	Committee/Chair
Enbridge Pipelines Inc. (pipelines)	2015-present	Audit, Finance & Risk Safety & Reliability

## E.F.H. (Harry) Roberts



Age: 65  
Calgary, Alberta

Director since  
February 6, 2012

Mr. Roberts is Chair of the Board, a member of the Audit Committee, an independent ECT Trustee, Chair of the ECT Board and a member of the ECT Audit, Finance & Risk Committee, ECT Safety & Reliability Committee and the ECT Conflicts Committee. He is a senior finance executive with extensive experience in the oil & gas and financial services industries and has a thorough knowledge of financial and capital markets. Mr. Roberts held a number of senior finance positions during his 20 year career with Petro-Canada, including Treasurer, Vice-President, Finance & Planning and ten years as Chief Financial Officer. He was also Senior Vice-President, Integration of Suncor Energy Inc. following its merger with Petro-Canada in 2009 until his retirement in 2010. He was a member of the Audit Committee of the Board of Governors for the University of Calgary and was the Chair of the Audit Committee of Canada's Sports Hall of Fame. Mr. Roberts holds a B.Comm. from the University of Alberta.

Enbridge Income Fund Board/Board committee memberships	2015 meeting attendance
Board	7/7
Audit Committee	4/4
Special Committee	31/31

Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
38,000

Current Reporting Issuer Board Memberships		
Company	Term on Board	Committee/Chair
Enbridge Pipelines Inc. (pipelines)	2015-present	Audit, Finance & Risk Safety & Reliability
Canadian Oil Sands Limited (energy)	2016-present	Chair of the Board Audit (Chair)

## Bruce G. Waterman



Age: 65  
Calgary, Alberta

Director since  
January 17, 2014

Mr. Waterman is Chair of the Audit Committee, an independent ECT Trustee, Chair of the ECT Audit, Finance & Risk Committee and a member of the ECT Safety & Reliability Committee and ECT Conflicts Committee. He is an experienced financial executive with extensive expertise in the oil & gas industry, financial and capital markets, and business development. Mr. Waterman was Executive Vice-President of Agrium Inc. (public agricultural company), where he held senior roles as CFO, as well as in Business Development and Strategy, from April 2000 to his retirement in January 2013. Prior to joining Agrium Inc., Mr. Waterman had almost 20 years of oil & gas experience in various senior roles with Amoco Corporation (including Dome Petroleum, a predecessor company) and Talisman Energy Inc., where he was Vice-President and CFO. Mr. Waterman has been accountable for Corporate Strategy, Investment, Finance, Accounting, Information Technology, Risk Management, Audit, Investor Relations, Public & Government Affairs and Tax during his career. He holds a B.Comm. (Hon.) from Queen's University and an ICD.D. He is a Chartered Accountant, a Fellow of the Institute of Chartered Accountants, a member of Financial Executives International Canada and serves on the Advisory Board of Financial Executives International Canada. He was named Canada's CFO of the Year in 2008 and currently chairs the Selection Committee for Canada's CFO of the Year.

Enbridge Income Fund Board/Board committee memberships	2015 meeting attendance
Board	7/7
Audit Committee	4/4
Special Committee	30/31

### Common Shares Beneficially Owned or Controlled<sup>(1)</sup>

89,175

### Current Reporting Issuer Board Memberships

Company	Term on Board	Committee/Chair
Encana Corporation (energy producer)	2010-present	Audit Human Resources
Enbridge Pipelines Inc. (pipelines)	2015-present	Audit, Finance & Risk (Chair)

## Catherine L. Williams



Age: 65  
Calgary, Alberta

Director since  
N/A

Ms. Williams is an independent ECT Trustee, a member of the ECT Audit, Finance & Risk Committee and a member of the ECT Safety & Reliability Committee. Her principal occupation in the previous five years has been as a board director. Ms. Williams held senior finance positions during a 30-year career in business which included international experience. From 1984 to 2007, Ms. Williams held positions with Shell Canada Limited, Shell Europe Oil Products, Shell Canada Oil Products and Shell International (oil and gas companies) and was the Chief Financial Officer of Shell Canada Limited from 2003 to 2007. Prior to 1984, Ms. Williams was employed at NOVA Corporation and the Bank of Canada. She has served as the Chair of the Board of Governors of Mount Royal University as well as the Chair of its Finance & Audit Committee, Chair of the Board of the United Way of Calgary & Area, Chair of the Board of Junior Achievement of Southern Alberta and on the Advisory Board to the Dean of Queen's School of Business. She has also served as a Director and audit committee member of Tim Hortons Inc. and of Alberta Investment Corporation. Ms. Williams holds a BA from the University of Western Ontario and an MBA (Finance) from Queen's School of Business (now Smith School of Business at Queen's University).

### Common Shares Beneficially Owned or Controlled<sup>(1)</sup>

Nil

### Current Reporting Issuer Board Memberships

Company	Term on Board	Committee/Chair
Enbridge Inc. (energy transportation & distribution)	2007-present	Human Resources (Chair) Audit, Finance & Risk Safety & Reliability
Enbridge Pipelines Inc. (pipelines)	2008-present	Audit, Finance & Risk Safety & Reliability
Vermillion Energy Inc. (oil & gas producer)	2015-present	Audit Governance & Human Resources

### NOTES:

- (1) Information relating to holdings of Common Shares is not within the knowledge of the Corporation or Manager and has been provided by each nominee, effective as at March 11, 2015.
- (2) Attendance at Special Committee meetings refers to meetings of the joint special committees of the Independent Directors and Independent ECT Trustees which were formed to consider the transaction which was completed September 1, 2015.

The Board has adopted a majority voting policy whereby in any meeting where Shareholders vote on the uncontested election of Directors and a nominee for Director receives a greater number of votes withheld than votes cast in favour of his or her election, such Director nominee will promptly tender his or her resignation to the Chair of the Board. Within 90 days of the meeting, the Board (excluding the Director who tendered his or her resignation) will decide whether to accept the resignation and will accept the resignation absent exceptional circumstances. The decision of the Board will be promptly disclosed in a news release and if the Board does not accept the resignation, the news release will state the reasons for such decision. The policy does not apply to a nominee elected through the exercise of the Special Voting Share.

**The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote FOR the election of each of the nominees set forth above.** Management does not contemplate that any of the nominees will be unable to serve as a Director. However, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

## OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy confers discretionary authority to vote with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters that may properly come before the Meeting.



# TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

## I. INTRODUCTION

The primary responsibility of the Board of Directors (the “**Board**”) is to maximize returns to shareholders of Enbridge Income Fund Holdings Inc. (the “**Corporation**”) and to foster the long-term success of the Corporation, consistent with the Board’s fiduciary responsibility to the Corporation.

The Board has absolute and exclusive power, control and authority over the property and affairs of the Corporation. The Board may delegate certain of those powers and authority that the Directors, or Independent Directors, as applicable, deem necessary or desirable to effect the actual administration of the duties of the Board. Under the Management Agreement with Enbridge Management Services Inc. (the “**Manager**”), the Board has delegated to the Manager broad discretion to administer and manage the business and operations of the Corporation. Nonetheless, the Directors retain certain responsibilities which are described below.

## II. GENERAL LEGAL OBLIGATIONS OF THE BOARD

- A. The Board is responsible for directing the Manager to ensure that legal and regulatory requirements are met, and that documents and records are properly prepared, approved and maintained. The Board delegates to the Corporate Secretary of the Manager the preparation and maintenance of records of the Corporation and all subsidiaries, including, but not limited to, articles and by-laws and any amendments thereto, unanimous shareholder agreements, minutes of meetings and resolution of shareholders, notices and securities registers of the Corporation, at the Corporation’s registered office or at any other place in Canada deemed appropriate by the Corporate Secretary of the Manager; and
- B. Canadian law identifies the following as specific legal requirements for the Board:
- (a) to manage or supervise the business and affairs of the Corporation, including the relationships among the Corporation, its subsidiaries and affiliates, their shareholders, directors and officers;
  - (b) to act honestly and in good faith with a view to the best interests of the Corporation;
  - (c) to exercise the care, diligence and skill that reasonably prudent people would exercise in comparable circumstances;
  - (d) to act in accordance with the Board’s responsibilities contained in the *Business Corporations Act* (Alberta) (the “ABCA”), the securities laws of applicable provinces and territories of Canada, other relevant legislation, regulations and policies, and the Corporation’s Articles and By-Laws;
  - (e) to recommend the appointment of an auditor to the shareholders and fix the remuneration of the auditor if not fixed by the shareholders;
  - (f) pursuant to the ABCA, the following matters must be considered by the Board as a whole:
    - (i) submit to the shareholders any question or matter requiring the approval of the shareholders;
    - (ii) fill a vacancy among the Directors or in the office of auditor;
    - (iii) authorize the issuance of securities;
    - (iv) declare dividends;
    - (v) purchase, redeem or otherwise acquire shares issued by the Corporation;
    - (vi) the payment of a commission to any person in consideration of that person purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares;
    - (vii) approve any required management proxy circulars;
    - (viii) approve any required take-over bid circulars or Directors’ circulars;
    - (ix) approve any required financial statements; and
    - (x) adopt, amend or repeal the By-Laws of the Corporation.

### III. DUTIES AND RESPONSIBILITIES

The Board has the responsibility:

- (a) to monitor the Corporation's progress towards its goals and, through the Manager, to revise and alter the Corporation's strategic plans in light of changing circumstances;
- (b) to review and approve the annual budget, annual financing plans, any payment of dividends and new financings;
- (c) to review and approve quarterly and annual financial reports, quarterly and annual Management's Discussion and Analysis, the Annual Information Form and the annual report;
- (d) to take reasonable steps to identify the principal risks of the Corporation's business and to ensure the implementation of appropriate systems to monitor, manage and mitigate such risks;
- (e) to take reasonable steps to ensure the integrity and effectiveness of the Corporation's internal control and management information systems; and
- (f) to monitor the actions of the Manager, including achievement of strategic plans and objectives and a review of quarterly reports.

### IV. STRATEGY DETERMINATION

The Board has the responsibility:

- (a) to review the strategic plan, including strategies and policies which are used to develop the strategic plan, and which support the achievement of the Corporation's goals; and
- (b) to monitor progress in respect of the achievement of the goals established in the strategic plan and to initiate corrective action when required.

### V. POLICIES AND PROCEDURES

The Board has the responsibility:

- (a) to review and monitor compliance with all significant policies and procedures by which the Corporation is governed and operated; and
- (b) to require that the Manager operate at all times within applicable laws and regulations and to the highest ethical and moral standards.

### VI. COMPLIANCE REPORTING

The Board has the responsibility:

- (a) to ensure that the financial performance of the Corporation be adequately reported to shareholders and other relevant stakeholders<sup>1</sup> on a timely and regular basis;
- (b) to ensure that the financial results of the Corporation are reported fairly and in accordance with applicable laws and generally accepted accounting principles; and
- (c) to ensure the timely reporting of any developments that have a significant and material impact on the value of the securities of the Corporation.

### VII. SHAREHOLDER RELATIONS AND CORPORATE COMMUNICATIONS

The Board has the responsibility:

- (a) to require that the Corporation have in place a policy to enable the Corporation to effectively communicate with its shareholders, stakeholders<sup>1</sup> and the public generally; and
- (b) to ensure that public disclosures and corporate communications are made in compliance with applicable securities legislation.

### VIII. CHAIR

The Directors may, but are not required to, appoint a Chair of the Board. The Chair of the Board must be an Independent Director (as defined under applicable Canadian securities legislation). The role of the Chair of the Board is to effectively manage and to provide leadership to the Board (Appendix A).

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<sup>1</sup> Stakeholders may include regulators, governments, employees, customers, suppliers and the communities in which the Corporation or its investments operate.

## APPENDIX A

### I. INTRODUCTION

A. Critical to meeting the Board's responsibilities are:

- the relationships among the Board, the Directors, the Manager, the Corporation's shareholders, and relevant stakeholders<sup>2</sup>, and
- ensuring that these relationships are as effective and efficient as possible and further the best interests of the Corporation.

B. The Chair of the Board, as the presiding Director, manages the affairs of the Board, together with the committees of the Board, the Directors and the Manager, to achieve effective relations with the Directors, shareholders, stakeholders and the public.

### II. WORKING WITH MANAGEMENT

The Chair of the Board has the responsibility:

- (a) to act as a sounding board for the Manager, including helping to review strategies, define issues, maintain accountability and build relationships;
- (b) to ensure that the Manager is aware of any concerns of the Board, shareholders, other stakeholders or the public;
- (c) to lead the Board in monitoring and evaluating the performance of the Manager to ensure the accountability of the Manager; and
- (d) to work closely with the Manager to ensure that management strategies, plans and performance matters are presented, as necessary, to the Board, shareholders and relevant stakeholders.

### III. MANAGING THE BOARD

The Chair of the Board has the responsibility:

- (a) to ensure that the Board governs the Corporation's businesses and affairs, all as permitted by and in accordance with applicable contractual, legal and regulatory requirements;
- (b) to ensure that the Board is aware of its obligations to the Corporation, shareholders, management, relevant stakeholders, and pursuant to law;
- (c) to provide leadership to the Board and to assist the Board in reviewing and monitoring the aims, strategies, policies and directions of the Corporation, the Manager, Enbridge Income Fund and Enbridge Commercial Trust;
- (d) to keep the Board up-to-date on all major developments including timely discussion of potential developments of relevance to the Corporation;
- (e) working with the Board, to ensure the Board has sufficient information to permit it to properly make major decisions when such decisions are required;
- (f) to establish the frequency of Board meetings and to review such frequency from time to time, as considered appropriate or as requested by the Board;
- (g) to ensure the co-ordination of the agenda and related events for Board meetings in conjunction with the President and the Corporate Secretary of the Manager;
- (h) to chair Board meetings;
- (i) to recommend the committees of the Board and their composition, to review the need for, and the performance and suitability of, those committees and to recommend such adjustments as are deemed necessary from time to time, all in conjunction with the Manager and the Board;
- (j) to ensure the co-ordination of the frequency of, and agenda for, all committee meetings in conjunction with the committee chairs, the President and the Corporate Secretary of the Manager;

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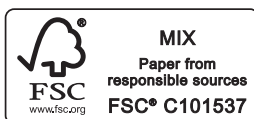
<sup>2</sup> Stakeholders may include regulators, governments, employees, customers, suppliers and the communities in which the Corporation or its investments operate.

- (k) to ensure that Board meetings are conducted in an efficient, effective, focused and respectful manner, to maximize the value of each Director's participation, and to attend committee meetings where requested by a committee chair, or as deemed appropriate by the Chair of the Board, or the Board;
- (l) to review and assess each Director's attendance, performance and compensation and the size and composition of the Board, all in conjunction with any relevant committees of the Board;
- (m) working with the Board, to ensure the presence of the appropriate mix of skills and abilities on the Board to promote the continued growth and success of the organization; and
- (n) working with the Board, to ensure an orderly succession to the Chair and thereby continuity of strategy and corporate development in the event of the Chair's retirement or resignation.

#### **IV. RELATIONS WITH SHAREHOLDERS, OTHER STAKEHOLDERS AND THE PUBLIC**

The Chair of the Board has the responsibility:

- (a) to chair meetings of shareholders of the Corporation; and
- (b) to ensure, in conjunction with the Manager and relevant committees, that the Manager and, where applicable, the Board are appropriately represented at official functions and meetings with major shareholder groups and other stakeholder groups.



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