



ENBRIDGE INCOME FUND HOLDINGS INC.
ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2016

February 17, 2017

TABLE OF CONTENTS

DOCUMENTS INCORPORATED BY REFERENCE

As of the date hereof, portions of the MD&A, the audited financial statements of the Company as at and for the year ended December 31, 2016 and the Fund AIF, as filed with the securities commissions or similar authorities in each of the provinces of Canada, as detailed below, are specifically incorporated by reference into and form an integral part of this AIF. These documents are available on SEDAR which can be accessed at www.sedar.com.

	<u>Page Reference From</u>		
	<u>AIF</u>	<u>MD&A</u>	<u>Fund AIF</u>
GLOSSARY.....	2		
PRESENTATION OF INFORMATION	6		
FORWARD LOOKING INFORMATION	6	4	
CORPORATE STRUCTURE	7		
GENERAL DESCRIPTION OF THE BUSINESS.....	8	2	12
GENERAL DEVELOPMENT OF THE BUSINESS	8	2	12-14
MANAGEMENT AGREEMENT.....	9		28-31
RISK FACTORS.....	9	7-9	21, 22
DESCRIPTION OF SHARE CAPITAL	10		
DIVIDENDS AND DISTRIBUTIONS	11	3, 6	22, 23
MARKET FOR SECURITIES.....	13		
DIRECTORS, OFFICERS AND MANAGEMENT	13		
AUDIT COMMITTEE	15		
EXTERNAL AUDITOR SERVICES - FEES.....	17		
REGISTRAR AND TRANSFER AGENT	17		
CONFLICTS OF INTEREST AND FIDUCIARY DUTIES.....	17		
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	18	7	48, 49
MATERIAL CONTRACTS.....	19		
INTEREST OF EXPERTS	19		
ADDITIONAL INFORMATION	19		
APPENDIX A.....	21		

GLOSSARY

In this AIF, unless the context otherwise requires, the following terms shall have the indicated meanings. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

"2014 Transaction" means the transaction completed on November 7, 2014 whereby indirect wholly-owned subsidiaries of the Fund acquired a 50% interest in the U.S. segment of the Alliance Pipeline from indirect wholly-owned subsidiaries of Enbridge and subscribed for Class A units of certain Enbridge subsidiaries which provide the holders with a defined cash flow stream from the Southern Lights Pipeline;

"2015 Transaction" means the transaction completed on September 1, 2015 whereby EIPLP acquired 100% interests from Enbridge and IPL System in the Canadian segment of the Mainline System, the Regional Oil Sands System and interests in four wind farms situated in Alberta and Quebec together with other assets for aggregate consideration of \$30.4 billion plus incentive distribution and performance rights, less working capital adjustments;

"ABCA" means the *Business Corporations Act* (Alberta), as amended from time to time;

"adjusted earnings/(loss)" means earnings or loss attributable to holders of Common Shares adjusted for unusual, non-recurring or non-operating factors;

"Affiliate" or **"Associate"** has the meaning ascribed thereto in the *Securities Act* (Alberta), as amended from time to time;

"AIF" means this annual information form of the Company dated February 17, 2017 for the year ended December 31, 2016;

"Alliance Pipeline" means the Alliance Pipeline system, consisting of an approximately 3,850 km integrated, high-pressure, natural gas transmission pipeline system extending from near Gordondale, Alberta to delivery points near Chicago, Illinois, including approximately 730 km of lateral pipelines located in supply areas in the northwestern Alberta and northeastern British Columbia, portions of the WCSB, a 129 km lateral pipeline in the Bakken supply area of North Dakota, and related infrastructure;

"Arrangement" means the arrangement pursuant to section 193 of the ABCA among the Fund, ECT, the Manager, Enbridge, Unitholders and the Company providing for the exchange of all of the Fund Units except for 9,500,000 Fund Units, held by Enbridge, into Common Shares and certain other matters, and which became effective on December 17, 2010;

"Articles" means the Articles of Incorporation of the Company, as amended and/or restated from time to time;

"Audit Committee" means the Audit Committee of the Board;

"Board" means the board of directors of the Company;

"Company" means Enbridge Income Fund Holdings Inc.;

"Common Shares" means common shares in the share capital of the Company;

"Distributable Cash" means, in general, all amounts of cash received by the Fund Group, for and in respect of a particular distribution period, together with all cash amounts transferred from any reserve amount maintained by the Fund Group, less all expenses and liabilities of the Fund Group which may reasonably be considered to have accrued and become owing in respect of that distribution period or a prior distribution period (if not accrued in such prior period), amounts that may be paid by the Fund Group in connection with any cash redemptions or repurchases of Fund Units, ECT Preferred Units and EIPLP Class C Units made during that distribution period, amounts that relate to repayment of any indebtedness of the Fund Group made during that distribution period, amounts which the Manager may reasonably consider necessary to provide for payment of any liabilities which have been or will be incurred by the Fund Group,

and any amounts for reasonable reserves in connection with pursuing any purpose or activity of the Fund Group;

"DRIP" means the distribution reinvestment and share purchase plan of the Company;

"ECT" means Enbridge Commercial Trust, an unincorporated trust established under the laws of Alberta;

"ECT Class B Units" means the units of ECT designated as "Class B Units" pursuant to the ECT Trust Indenture and which are issuable in series;

"ECT Management Agreement" means the management agreement which was amended and restated on September 1, 2015, between the Manager and ECT pursuant to which the Manager provides management services to ECT, as further amended from time to time;

"ECT Preferred Units" means the units of ECT designated as "Preferred Units" pursuant to the ECT Trust Indenture and which are issuable in series;

"ECT Trust Indenture" means the trust indenture pursuant entered into as of December 20, 2002 pursuant to which ECT was established, as amended and supplemented from time to time and which was last amended and restated on September 1, 2015;

"ECT Trustees" means the trustees of ECT from time to time;

"ECT Units" means the units of ECT designated as "Common Units" pursuant to the ECT Trust Indenture;

"EIPGP" means Enbridge Income Partners GP Inc., a corporation incorporated under the laws of Canada, which is the general partner of EIPLP, and of which Enbridge owns 51% and ECT owns 49%;

"EIPLP" means Enbridge Income Partners LP, a limited partnership established under the laws of Alberta;

"EIPLP Class C Units" means the limited partnership units in the capital of EIPLP designated as "Class C Units" pursuant to the EIPLP Limited Partnership Agreement;

"EIPLP Limited Partnership Agreement" means the limited partnership agreement among EIPGP, as general partner, and the limited partners of EIPLP, as amended and restated from time to time and which was last amended and restated on September 1, 2015;

"Enbridge" means Enbridge Inc., a corporation continued under the laws of Canada, the common shares of which trade on the TSX in Canada and on the New York Stock Exchange in the U.S. under the trading symbol "ENB";

"Exchangeable Securities" means the Fund Units, ECT Preferred Units, ECT Class B Units and the EIPLP Class C Units, being any of the exchangeable securities to be exchanged pursuant to the Exchange Rights Agreement;

"Exchange Right" means the right of a holder of Exchangeable Securities to exchange such Exchangeable Securities pursuant to their terms, into Common Shares or other Exchangeable Securities as applicable, on a one-for-one basis, subject to adjustment in respect of anti-dilution and economic equivalence;

"Exchange Right Support Agreement" means the exchange right support agreement dated as of September 1, 2015 among Enbridge, IPL System, the Company, the Fund, ECT, EIPLP, EIPGP and the Manager which provides for the procedure for the exchange of the Exchangeable Securities into Common Shares, Fund Units, ECT Preferred Units or ECT Class B Units, as the case may be;

"First Preferred Shares" means the first preferred shares in the share capital of the Company;

"Fund" means Enbridge Income Fund, an unincorporated open-ended trust established under the laws of Alberta and, as the context requires, includes the Fund Group;

"Fund Administrative Services Agreement" means the administrative services agreement dated September 1, 2015, as further amended from time to time, among the Manager, the Fund Trustee, the Fund and ECT pursuant to which the Manager provides administrative services to the Fund;

"Fund AIF" means the annual information form of the Fund dated February 17, 2017 for the year ended December 31, 2016;

"Fund Credit Facility" means the Fund's unsecured revolving credit facility in the amount of \$1.5 billion for a three year extendable term maturing on June 28, 2018 which bears interest at a floating rate based on Canadian bankers' acceptance rates or prime rate plus an applicable margin to those rates and which, on an annual basis, the Fund may request a one year extension of the applicable maturity date;

"Fund Group" means the Fund, ECT, EIPLP and Subsidiaries of EIPLP;

"Fund Trust Indenture" means the trust indenture pursuant to which the Fund was established, as amended or supplemented from time to time and which was last amended and restated on September 1, 2015;

"Fund Trustee" means the trustee of the Fund, which currently is CST Trust Company;

"Fund Units" mean units of the Fund designated as "Ordinary Units" pursuant to the Fund Trust Indenture;

"Governance Agreement" means the governance agreement dated as of September 1, 2015 between Enbridge and the Company in respect of certain matters concerning the governance of the Company;

"IFRS" means International Financial Reporting Standards;

"IPL System" means IPL System Inc., a corporation incorporated under the laws of Alberta and a wholly-owned Subsidiary of Enbridge;

"Mainline System" means the pipeline system which transports various grades of oil and other liquid hydrocarbons within western Canada and from western Canada to eastern Canada and the U.S., which is comprised, among other things, of: (i) six adjacent pipelines that connect to the Canada/U.S. border near Gretna, Manitoba and Neche, North Dakota with the Lakehead System; (ii) four crude oil pipelines and one refined products pipeline located in eastern Canada; and (iii) related pipelines and infrastructure, including deactivated and decommissioned pipelines;

"Management Agreement" means the management and administrative services agreement between the Manager and the Company dated December 17, 2010 pursuant to which the Manager provides management and administrative services to the Company, as amended from time to time;

"Manager" means Enbridge Management Services Inc., a corporation incorporated under the laws of Canada and a wholly-owned Subsidiary of Enbridge;

"Market Purchase Option" has the meaning ascribed under the heading "*Dividends and Distributions – Dividend Reinvestment and Share Purchase Plan*" of this AIF;

"MD&A" means the management's discussion and analysis of the Company dated February 17, 2017 for the year ended December 31, 2016;

"NGL" means natural gas liquids which are comprised of ethane, propane, normal butane, isobutane and pentanes plus, or any of them, or any mixture of any of them, and includes any substances that may be incidentally recovered therewith on extraction from natural gas;

"NI 52-110" means National Instrument 52-110 - *Audit Committees*, as amended or replaced;

"Person" includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, limited liability companies, joint ventures, associations, companies, trusts, banks, trust

companies, pension funds, business trusts and other organizations, whether or not legal entities and governments and agencies and political subdivisions thereof;

“Regional Oil Sands System” means the pipeline system comprised of: (i) three long haul pipelines; (ii) two large terminals located north and south of Fort McMurray, Alberta; (iii) feeder pipelines which provide access for oil sands production from near Fort McMurray to the Cheecham Terminal, and (iv) related laterals and other infrastructure which transport crude oil and other liquid hydrocarbons from production sites in the WCSB to connection points in central Alberta and to the Canadian Mainline and other export longhaul systems;

“Registration Rights Agreement” means the registration rights agreement dated as of September 1, 2015 among the Company, Enbridge and IPL System providing for the sale of Common Shares held by Enbridge, IPL System and their Affiliates to the public;

“SEDAR” means the System for Electronic Document Analysis and Retrieval;

“Shareholder” means a holder of Common Shares;

“Southern Lights Pipeline” means the single stream pipeline that ships diluent from the Manhattan Terminal near Chicago, Illinois to three western Canadian delivery facilities located at the Edmonton and Hardisty terminals in Alberta and at the Kerrobert terminal in Saskatchewan;

“Special Voting Share” means the special voting share in the capital of the Company;

“Subsidiary” has the meaning ascribed to such term in the *Securities Act* (Alberta), with such modifications as necessary so that the definition also applies to entities that are not a corporation and, for greater certainty, includes any general partnership, limited partnership, joint venture, trust, limited liability company, unlimited liability company or other entity, whether or not having legal status, that would constitute a Subsidiary if such entity were a corporation;

“TSX” means the Toronto Stock Exchange;

“Treasury Issuance Option” has the meaning ascribed under the heading *“Dividends and Distributions – Dividend Reinvestment and Share Purchase Plan”*;

“Unitholder” means a holder of a Fund Unit;

“Unitholders Agreement” means the unitholders agreement among the Company, the Fund, Enbridge, IPL System and the Manager, as amended and restated from time to time, which was last amended and restated on September 1, 2015;

“United States”, “U.S.”, “US” or “U.S.A” means the United States of America;

“WCSB” means the Western Canada Sedimentary Basin; and

“Year End” means December 31, 2016.

UNITS OF MEASURE

bcf	billion cubic feet	mmcf/d	million cubic feet per day
bpd	barrels per day	MW	megawatt
mmcf	million cubic feet		

METRIC CONVERSIONS

<u>Metric</u>	<u>Imperial</u>	<u>Factor</u>
cubic metre kilometre	barrel mile	3.910
cubic metre of liquid hydrocarbons	barrel of liquid hydrocarbons	6.290
cubic metre of natural gas	cubic feet of natural gas	35.494
kilometre	mile	0.621

PRESENTATION OF INFORMATION

Unless otherwise noted, the information contained in this AIF is given at or for the year ended December 31, 2016. Amounts are expressed in Canadian dollars unless otherwise indicated. Financial information for the Company is presented in accordance with IFRS.

FORWARD LOOKING INFORMATION

Forward-looking information or forward-looking statements have been included in this AIF to provide information about the Company and the Fund Group, including management's assessment of future plans and operations of the Company and the Fund Group. This information may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe", "likely" and similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information or statements included or incorporated by reference in this document include, but are not limited to, statements with respect to: earnings/(loss); earnings/(loss) per share; adjusted earnings/(loss); future cash flows; capital expenditures; future dividends or distributions and dividend payout expectations.

Although the Company believes these forward-looking statements are reasonable based on the information available on the date such statements are made and processes used to prepare the information, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Material assumptions include assumptions about: supply, demand and prices for crude oil, natural gas, natural gas liquids (NGLs) and renewable energy; exchange rates; inflation; interest rates; completion of growth projects; availability and price of labour and pipeline construction materials; operational reliability; customer and regulatory approvals; maintenance of support and regulatory approvals for the Fund Group's projects; anticipated in-service dates; weather; the Fund Group's credit ratings; earnings/(loss) or adjusted earnings/(loss); expected earnings/(loss) per share; future cash flows; and future dividends or distributions. Assumptions regarding the supply, demand and prices for crude oil, natural gas, NGLs and renewable energy, are material to and underlie all forward-looking statements. These factors are relevant to all forward-looking statements as they may impact current and future levels of demand for the Fund Group's services. Similarly, exchange rates, inflation and interest rates impact the economics and business environments in which the Fund Group operates and may impact levels of demand for the Fund Group's services and cost of inputs, and are therefore inherent risks in all forward-looking statements. Due to the interdependencies and correlation of these macroeconomic factors, the impact of any one assumption on a forward-looking statement cannot be determined with certainty, particularly with respect to expected earnings/(loss), adjusted earnings/(loss) and associated per share amounts or estimated future dividends or distributions. The most relevant assumptions associated with forward-looking statements on projects under construction, including estimated completion dates and expected capital expenditures, include: availability and price of labour and pipeline construction materials; effects of inflation and foreign exchange rates on labour and material costs; effects of interest rates on borrowing costs; impact of weather and customer and regulatory approvals on construction and in-service schedules.

The forward-looking statements of the Company and the Fund Group are subject to risks and uncertainties pertaining to operating performance, regulatory parameters, project approval and support, weather, economic and competitive conditions, changes in tax laws and tax rates, exchange rates, interest rates, commodity prices and supply of and demand for commodities, including but not limited to those risks and uncertainties discussed in this AIF and in the other filings of the Company and the Fund Group with Canadian securities regulators. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and the Company's or the Fund Groups future course of action depends on management's assessment of all information available at the relevant time. Except to the extent required by applicable law, the Company and the Fund Group assume no obligation to publicly update or revise any forward-looking statements made in this AIF or otherwise, whether as a result of new information, future events or otherwise. All

subsequent forward-looking statements, whether written or oral, attributable to the Company or the Fund Group or persons acting on behalf of the Company or the Fund Group, are expressly qualified in their entirety by these cautionary statements.

CORPORATE STRUCTURE

INCORPORATION

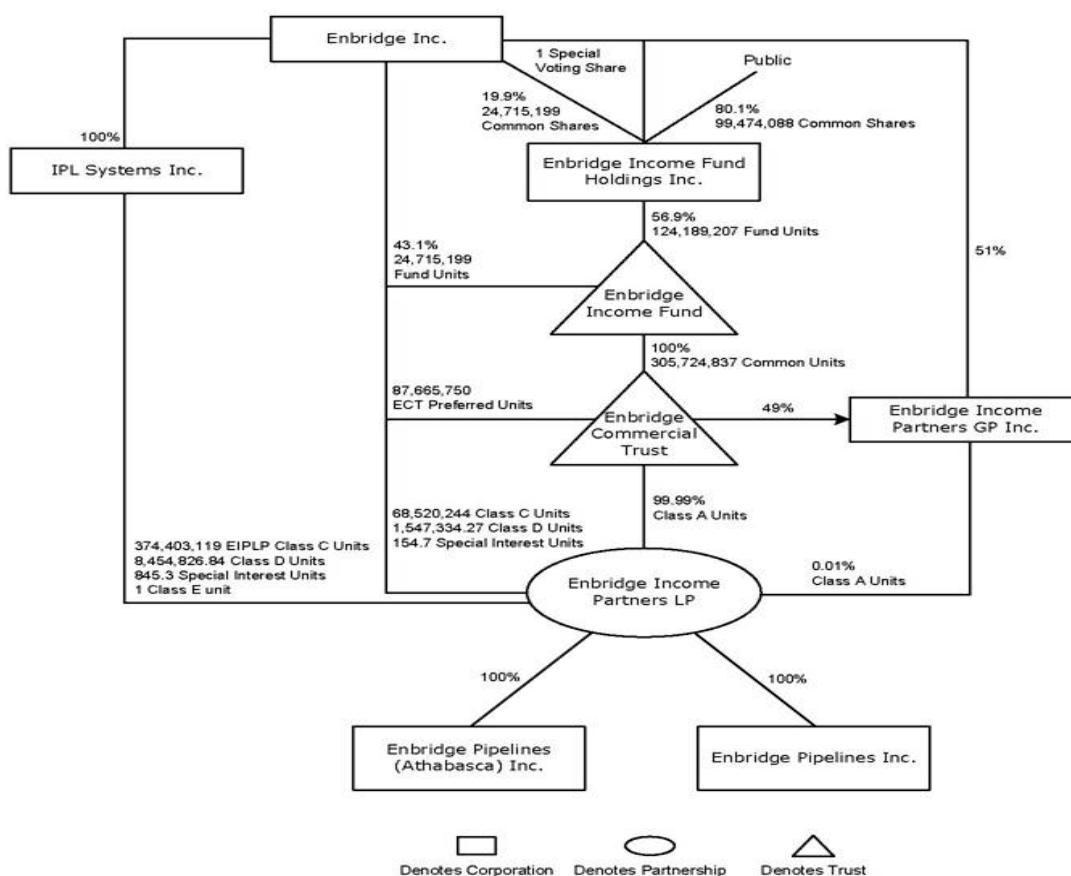
Enbridge Income Fund Holdings Inc. was incorporated on March 26, 2010 under the ABCA. The Articles were amended as follows.

Date	Amendment
December 16, 2010	Articles amended to change the authorized share structure, limit the number of First Preferred Shares that are authorized to be issued and impose restrictions on the business that the Company may carry on.
December 17, 2010	Articles amended to change the minimum and maximum number of Directors that can be elected or appointed to the Board and to implement the Arrangement.

The Common Shares trade on TSX under the symbol “ENF”. The head office and registered office of the Company is located at 200, 425 - 1st Street SW, Calgary, Alberta T2P 3L8.

INTERCORPORATE RELATIONSHIPS

The following organization chart illustrates the structural relationships among the Manager, the Fund Group, Enbridge and certain Subsidiaries of Enbridge as at Year End. The chart does not include all of the Subsidiaries of the Company. The assets and revenues of excluded Subsidiaries did not, individually exceed 10%, and in the aggregate exceed 20%, of the total consolidated assets or total consolidated revenues of the Company as at Year End.



GENERAL DESCRIPTION OF THE BUSINESS

The Articles restrict the business that the Company can carry on. Its business is limited to acquiring, holding, transferring, disposing of, investing in and otherwise dealing in assets, securities, properties or other interests of, or issued by, the Fund and its Associates or Affiliates, or any other business entity in which the Fund has an interest, as well as all other business and activities which are necessary, desirable, ancillary or incidental thereto, including but not limited to: borrowing funds and incurring indebtedness; guaranteeing debts or liabilities; and issuing, redeeming or repurchasing securities. The Company's assets consist primarily of Fund Units.

The Fund is an unincorporated open-ended trust established by a trust indenture under the laws of the Province of Alberta. The Fund, through its indirect investment in EIPLP is involved in the transportation, storage and generation of energy. EIPLP indirectly owns interests in liquids transportation and storage assets, including the Canadian Mainline, the Regional Oil Sands System, a 50% interest in the Alliance Pipeline, the Canadian segment of the Southern Lights Pipeline, Class A units entitling the holder to receive defined cash flows from the U.S. segment of the Southern Lights Pipeline and interests in more than 1,400 MW of renewable and alternative power generation assets.

As at December 31, 2016, the Company had no employees.

For additional information, please refer to the MD&A. For a description of the Fund Units, the Fund, the Fund Trust Indenture and the Fund's business, see the Fund AIF which is filed on SEDAR at www.sedar.com.

GENERAL DEVELOPMENT OF THE BUSINESS

On November 7, 2014, in connection with the 2014 Transaction, the Company subscribed for 13,860,000 Fund Units at a price of \$30.35 per Fund Unit for an aggregate subscription price of \$420.7 million. The Company financed the subscription for the 13,860,000 Fund Units through the sale of an aggregate of 11,100,000 subscription receipts at a price of \$30.35 per subscription receipt for gross proceeds of \$336.9 million pursuant to a short form prospectus dated October 3, 2014 and the sale of 2,760,000 Common Shares on a private placement basis to Enbridge at a price of \$30.35 per Common Share for gross proceeds of \$83.8 million.

On November 7, 2014, the Company issued an aggregate of 11,100,000 Common Shares in respect of the 11,100,000 subscription receipts and paid to the holders of subscription receipts the sum of \$0.1146 per subscription receipt held, being an amount equal to the dividend paid by the Company on each Common Share on November 17, 2014 to Shareholders of record on October 31, 2014. The Fund used the proceeds from the sale of the additional Fund Units to the Company to fund part of the \$1.76 billion price paid to complete the 2014 Transaction.

On September 1, 2015, concurrent with closing of the 2015 Transaction, the Company entered into the Exchange Right Support Agreement, the Registration Rights Agreement and the Governance Agreement and amended and restated the Unitholders Agreement. See "*Description of Share Capital – Exchange Rights and Registration Rights*", "*Description of Share Capital – Governance Agreement*" and "*Material Contracts*" of this AIF. For additional information, please refer to the MD&A and the Fund AIF.

On November 6, 2015, the Company issued 21,475,000 Common Shares pursuant to a short form prospectus at a price of \$32.60 per Common Share for gross proceeds of \$700.1 million and 5,335,000 Common Shares to Enbridge on a private placement basis at a price of \$32.60 per Common Share for gross proceeds of \$173.9 million. The proceeds were used by the Company to acquire 26,810,000 Fund Units at a price of \$32.60 per Fund Unit and were ultimately used to partially fund the secured capital growth programs of the liquids pipelines assets acquired by EIPLP in the 2015 Transaction.

On April 20, 2016, the Company issued 20,353,850 Common Shares pursuant to a short form base shelf prospectus at a price of \$28.25 per Common Share for gross proceeds of \$574,996,263 and 5,056,150 Common Shares to Enbridge on a private placement basis at a price of \$28.25 per Common Share for

gross proceeds of \$142,836,238. The proceeds were used by the Company to acquire 25,410,000 Fund Units at a price of \$28.25 per Fund Unit and were ultimately used to partially fund the secured capital growth programs of the liquids pipelines assets acquired by EIPLP in the 2015 Transaction.

MANAGEMENT AGREEMENT

The Company has no employees and responsibility for the day-to-day management and general administration of the Company has been delegated to the Manager pursuant to the Management Agreement. The ABCA provides that the following matters cannot be delegated and that only the Board has authority to:

- a) submit to Shareholders any question or matter requiring the approval of the Shareholders;
- b) fill a vacancy among the Directors or in the office of Auditor;
- c) appoint additional Directors;
- d) issue securities except in the manner and on the terms authorized by the Directors;
- e) declare dividends;
- f) purchase, redeem or otherwise acquire shares issued by the Company, except in the manner and on the terms authorized by the Directors;
- g) pay a commission in consideration of the purchase or agreement to purchase shares of the Company from the Company or from any other Person, or for procuring or agreeing to procure purchasers for shares of the Company;
- h) approve a management proxy circular;
- i) approve financial statements of the Company; and
- j) adopt, amend or repeal bylaws.

The Management Agreement has an initial term which expires on June 30, 2023 and is automatically renewed for additional successive five year terms unless the Manager provides written notice at least 180 days prior to the expiry of the initial term or renewal term of its intention not to renew the Management Agreement. The Management Agreement may also be terminated by either the Company or the Manager if the other is in default under the Management Agreement, if insolvency or bankruptcy proceedings are instituted, including the appointment of a receiver, or if the Fund Administrative Services Agreement and the ECT Management Agreement are properly terminated.

The Management Agreement provides that no fee is payable by the Company in connection with the provision of services by the Manager under the Management Agreement if a fee arrangement exists between the Manager and the Fund. The Manager provides administrative and general support services to the Fund pursuant to the Fund Administrative Services Agreement and provides management and general administration services to ECT pursuant to the ECT Management Agreement. Affiliates of the Manager provide services to other members within the Fund Group through intercorporate services agreements. See "*Trustees, AFR Committee and Management – Management Contracts*" in the Fund AIF, which can be viewed on SEDAR at 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 or an Affiliate of the Manager to the Fund Group.

RISK FACTORS

Risk factors related to the Fund, the energy infrastructure industry and the renewable energy industry apply to the Company as a holder of Fund Units. A discussion of risk factors applicable to the Fund Units as well as each business segment of the Fund is set forth in the Fund's management discussion and analysis, in the Fund's AIF and in EIPLP's management discussion and analysis. Risk factors applicable to the Company are set out in the MD&A. All such risk disclosure is incorporated herein by reference and are available on SEDAR at www.sedar.com.

DESCRIPTION OF SHARE CAPITAL

SHARE CAPITAL

The authorized share capital of the Company consists 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, of which an aggregate of 124,189,207 Common Shares, no First Preferred Shares and one Special Voting Share were issued and outstanding as at Year End. The following is a summary of the rights, privileges, restrictions and conditions attaching to the authorized share capital of the Company.

Common Shares

Holders of Common Shares are entitled to one vote per Common Share at meetings of Shareholders, to receive dividends if, as and when declared by the Board and to receive pro rata the remaining property and assets of the Company upon its dissolution or winding-up, subject to the rights of shares having priority over the Common Shares.

First Preferred Shares

The First Preferred Shares may at any time and from time to time be issued in one or more series. Each series of First Preferred Shares shall consist of such number of shares and such rights, privileges, restrictions and conditions as may be determined by the Board prior to the issuance thereof, and subject to the limitation that the number of First Preferred Shares issued cannot exceed one-half of the number of Common Shares issued and outstanding at the time of issuance. Holders of First Preferred Shares shall be entitled to priority over the Common Shares with respect to the payment of dividends and the distribution of assets of the Company upon the liquidation, dissolution or winding-up of the Company. The First Preferred Shares of each series shall rank on parity with the First Preferred Shares of every other series in respect of the payment of dividends and in the distribution of assets of the Company in the event of any liquidation, dissolution or winding-up of the Company.

Special Voting Share

The holder of the Special Voting Share shall be entitled to receive notice of and to attend all annual and special meetings of Shareholders and shall be entitled to elect one director to the Board for so long as the holder beneficially owns or controls, directly or indirectly, between 15% and 39% of the issued and outstanding Common Shares, provided that if the holder of the Special Voting Share elects to exercise its right to elect one director, it will not be permitted to exercise the votes attaching to the portion of Common Shares held by such holder representing its pro-rata representation on the Board in respect of the election of the remaining directors of the Company at meetings of Shareholders. Where the holder of the Special Voting Share beneficially owns or controls, directly or indirectly, more than 39% of the issued and outstanding Common Shares, its right to elect one director to the Board shall terminate and such holder shall be entitled to exercise all of the votes attached to the Common Shares held by it in respect of the election of all directors of the Company at meetings of Shareholders. The holder of the Special Voting Share will not be entitled to receive, in respect of the Special Voting Share, any dividends or to participate in any distribution of the property or assets of the Company upon the liquidation, dissolution or winding-up of the Company. The Special Voting Share is only transferable or assignable to an Affiliate of Enbridge.

EXCHANGE RIGHTS AND REGISTRATION RIGHTS

As at Year End, an aggregate of 442,923,363 EIPLP Class C Units, 87,665,750 ECT Preferred Units and 94,150,000 Fund Units were owned by Enbridge and IPL System, which if the Exchange Right was fully exercised, would result in the issuance of 624,739,113 Common Shares.

Concurrent with completion of the 2015 Transaction, the Company entered into the Exchange Right Support Agreement and the Registration Rights Agreement, which entitle Enbridge and IPL System to exchange their Exchangeable Securities, directly or indirectly at the option of the holder, into Common Shares, pursuant to the Exchange Right and then sell such Common Shares to the public from time to time in a manner that is intended to minimize the potential impact of such dispositions on the market price of Common Shares

The Exchange Right Support Agreement sets forth the procedure whereby Enbridge and IPL System can directly or indirectly exchange certain of their Exchangeable Securities into ECT Preferred Units, ECT Class B Units, Fund Units or Common Shares on a one for one basis, subject to adjustment in respect of anti-dilution and economic equivalence. The exercise of the Exchange Right is subject to the following ownership thresholds: (a) if Enbridge and its Affiliates collectively hold more than 19.9% of the issued and outstanding Common Shares after giving effect to an exercise of the Exchange Right, any Common Shares exceeding this amount acquired pursuant to the exercise of the Exchange Right, must concurrently be resold pursuant to the Registration Rights Agreement or otherwise in accordance with applicable laws; and (b) if Enbridge and its Affiliates, collectively, hold more than 87,655,750 of the issued and outstanding ECT Preferred Units and ECT Class B Units (taken as a whole and after giving effect to an exercise of the Exchange Right), any excess units acquired pursuant to the exercise of the Exchange Right are deemed to be immediately exchanged into Fund Units. The exercise of the Exchange Right will not trigger the participation right under the Governance Agreement or any of the pre-emptive rights under the Fund Trust Indenture, the ECT Trust Indenture and the EIPLP Limited Partnership Agreement.

The Registration Rights Agreement provides for demand registration rights in favour of Enbridge and IPL System whereby they can require the Company, at any time and from time to time, to qualify by prospectus all or a portion of the Common Shares held by Enbridge and its Affiliates, or issuable on exercise of the Exchange Right, for distribution to the public, provided that the minimum offering size is \$100 million. The Company may include Common Shares to be issued from Treasury and, subject to certain restrictions; the Company has the right to limit the number of Common Shares to be offered for sale for reasons relating to the marketing of the Common Shares. Expenses relating to the distribution of the Common Shares shall be paid by Enbridge in connection with the demand registration and by the Company in connection with Common Shares issued from Treasury. Enbridge may request a demand registration for so long as it and its Affiliates hold 2% or more of the outstanding Common Shares and, where they hold less than 2%, Enbridge has a one-time residual registration right to effect a demand registration, exercisable within 180 days from the date it ceases to hold 2% or more of the outstanding Common Shares, notwithstanding the \$100 million minimum offering requirement.

GOVERNANCE AGREEMENT

Concurrently with the completion of the 2015 Transaction, the Corporation and the Fund Group implemented a comprehensive governance framework pursuant to various governance agreements. The Governance Agreement impacts the Company's capital structure. Pursuant to the Governance Agreement, Enbridge has a participation right to subscribe for such quantity of Common Shares as it may select or securities convertible into Common Shares offered by the Company, other than pursuant to the Exchange Right Support Agreement or the DRIP, and to subscribe for Common Shares up to the proportional percentage of Common Shares held by Enbridge immediately prior to the offering, provided that such proportional percentage is, or will be, equal to or lesser than 19.9%, calculated on a non-diluted basis. The exercise of such right is conditional upon approval of the TSX or other stock exchange, as applicable, and compliance with applicable securities laws.

SHAREHOLDER RIGHTS PLAN

The Company adopted a shareholder rights plan agreement made effective December 17, 2010. The amended and restated shareholder rights plan agreement dated as of February 10, 2014 between the Company and CST Trust Company, as Rights Agent, was ratified and approved at the meeting of Shareholders held on May 5, 2014. The plan is available on SEDAR at www.sedar.com. The plan is to be renewed by the Shareholders at the 2017 annual meeting and an amended and restated plan which incorporates *inter alia* recent amendments to the take-over bid rules was approved by the Board will be presented to Shareholders for approval and ratification.

DIVIDENDS AND DISTRIBUTIONS

The ability of the Company to declare and pay dividends on the Common Shares is wholly-dependent on the declaration and payment of distributions by the Fund on the Fund Units and the satisfaction of solvency and liquidity tests under the ABCA. The Company has historically declared and paid dividends on the same frequency as distributions are declared and received from the Fund. The Company does not

have a formal dividend policy. It targets to pay-out by dividend to its Shareholders a high proportion of the cash received from the Fund, after retaining prudent reserves for contingencies, with the objective of providing a stable and predictable dividend stream.

The following table summarizes the dividends paid on the Common Shares in the three most recently completed financial years.

Cash Dividends Per Common Share			
Payment Date	2016 <i>(\$ per Common Share)</i>	2015 <i>(\$ per Common Share)</i>	2014 <i>(\$ per Common Share)</i>
January	\$0.1414	\$0.1285	\$0.1146
February	\$0.1555	\$0.1285	\$0.1146
March	\$0.1555	\$0.1285	\$0.1146
April	\$0.1555	\$0.1285	\$0.1146
May	\$0.1555	\$0.1285	\$0.1146
June	\$0.1555	\$0.1285	\$0.1146
July	\$0.1555	\$0.1285	\$0.1146
August	\$0.1555	\$0.1285	\$0.1146
September	\$0.1555	\$0.1285	\$0.1146
October	\$0.1555	\$0.1414	\$0.1146
November	\$0.1555	\$0.1414	\$0.1146
December	\$0.1555	\$0.1414	\$0.1285
Total Paid	\$1.8519	\$1.5807	\$1.3891

The historical dividend payments described above may not be reflective of future dividends. The actual amount distributed to Shareholders by way of dividend is wholly-dependent on distributions being declared and paid on the Fund Units, which in turn are dependent on the distributions declared and paid on the ECT Units by the ECT Trustees. In determining whether to declare distributions on the ECT Units, the ECT Trustees take into account the prevailing circumstances at the time, including current and anticipated operating cash flow, debt repayments and capital expenditures and working capital requirements.

FUND DISTRIBUTIONS

The Fund targets to distribute a high proportion of its Distributable Cash in each calendar year. The distribution will not typically be adjusted in circumstances where a change in Distributable Cash is not considered to be recurring. Distributable Cash retained by the Fund is used to repay debt obligations and for general purposes. In connection with the 2015 Transaction, the Fund Trust Indenture was amended to provide that the amount of the distribution shall be the same for each Fund Unit, ECT Preferred Unit, ECT Class B Unit, EIPLP Class C Unit and EIPLP Class D units, in respect of each distribution period and subject to the prior payment of the EIPLP Special Interest Rights and the distributions on the EIPLP Class E units and EIPLP Class F units.

The Fund Credit Facility includes a provision that prohibits distributions to Unitholders of the Fund if an event of default exists under the applicable credit agreement. The Fund Credit Facility also includes a covenant that limits outstanding debt of the Fund to 65% of its book capitalization, calculated pursuant to its amended credit facility agreement, and outstanding debt of EIPLP to 65% of its consolidated book capitalization.

The Fund Trust Indenture is available on SEDAR at www.sedar.com under the Fund's profile.

DIVIDEND REINVESTMENT AND SHARE PURCHASE PLAN

The DRIP provides that, among other things, (i) holders of Common Shares may direct their cash

dividends to be reinvested in additional Common Shares which may, at the discretion of the Manager, be purchased by CST Trust Company, in its capacity as the plan agent, through the facilities of the TSX (“**Market Purchase Option**”), be issued directly from treasury by the Company (“**Treasury Issuance Option**”) or be acquired through a combination of the Market Purchase Option and the Treasury Issuance Option, and (ii) subject to applicable law and regulatory filings, holders of Common Shares will be entitled to make optional cash payments to the plan agent for the purchase of additional Common Shares at the market price. The above is qualified in its entirety by the complete text of the DRIP, which is available on SEDAR at www.sedar.com.

In November 2015, the Company amended the DRIP to provide for a 2% discount on the market price (based on the volume weighted average trading price of the Common Shares for the five trading days prior to the applicable dividend payment date) for dividends reinvested for Common Shares issued using the Treasury Issuance Option and commenced using the Treasury Issuance Option for the dividend paid on December 15, 2015. Prior to December 15, 2015, all Common Shares issued pursuant to the DRIP were purchased under the Market Purchase Option. Enbridge participates in the DRIP to maintain its 19.9% holding of Common Shares. The Company uses the proceeds for the issuance of Common Shares under the DRIP to acquire Fund Units, which are issued by the Fund at the same price as the Common Shares issued under the DRIP. In 2016, the Company issued an aggregate of 1,592,289 Common Shares and received an aggregate of \$49,099,226 from reinvested dividends, which it used to acquire an aggregate of 1,589,969 Fund Units and an aggregate of \$58,388 from optional cash payments, which it used to acquire an aggregate of 2,320 Fund Units. For additional information, please refer to the MD&A.

MARKET FOR SECURITIES

The Common Shares are listed on the TSX under the stock symbol “ENF”. The following table sets forth the monthly price range and volume traded for the Common Shares for each month during the year ended December 31, 2016.

Month (2016)	High (\$)	Low (\$)	Close (\$)	Volume
January	29.27	25.85	29.27	7,400.08
February	28.88	26.08	28.88	6,346.60
March	30.53	28.62	29.60	5,055.13
April	29.78	28.84	28.99	13,670.03
May	31.02	27.92	31.02	8,376.72
June	32.13	31.23	32.06	7,239.37
July	32.94	31.90	32.50	4,949.18
August	33.43	31.49	31.49	5,462.67
September	34.00	32.18	34.00	8,819.51
October	34.61	33.41	34.04	4,185.08
November	34.15	32.65	34.15	4,021.05
December	35.31	34.07	34.77	4,250.67

DIRECTORS, OFFICERS AND MANAGEMENT

DIRECTORS AND OFFICERS – THE COMPANY

Pursuant to the Governance Agreement entered into concurrently with the 2015 Transaction, for so long as Enbridge beneficially owns 19.9% or more of the Common Shares, it has the right to nominate one independent member of the Enbridge board of directors for election as a director to the Board, provided such individual is “independent” of the Company in accordance with NI 52-110. The Board must recommend to Shareholders the election of the Enbridge nominee to the Board. If elected, Enbridge will

have the right to select a new Enbridge independent director to fill any vacancy resulting from the resignation, removal or death of the Enbridge nominee and to request the Enbridge nominee to resign from the Board and to replace him/her with another Enbridge independent director. The right to nominate pursuant to the Governance Agreement is independent of, and operates notwithstanding, Enbridge's rights as a holder of the Special Voting Share. Mr. Fischer, who is currently a director, is the Enbridge appointee.

The table below sets forth the names of the directors and executive officers of the Company as at the date of this AIF, their province and country of residence, their principal occupations within the five preceding years, the year in which they first became a director of the Company. Each director who is elected holds office until the next annual meeting of Shareholders or until a successor is duly elected or appointed. Also see "*Directors, Officers and Management – The Manager*" of this AIF. All of the directors of the Company are also ECT Trustees and are "independent" under NI 52-110 except for J. Richard Bird, who was a senior executive officer of Enbridge until March 2015. The Directors hold office until the next annual Shareholder's meeting.

Name and Residence	Position with the Company	Principal Occupation During the Five Preceding Years	Director Since
J. Richard Bird Alberta, Canada	Director	Corporate Director. Senior executive officer of Enbridge from 1995 until his retirement in March 2015. Last executive officer position held was Executive Vice-President, Chief Financial Officer & Corporate Development of Enbridge.	2010
Laura A. Cillis ^{1,2} Alberta, Canada	Director	Corporate Director. Senior Vice-President, Finance & Chief Financial Officer, Calfrac Well Services Ltd. (public oil well services company) from 2008 to 2013.	2016
Charles W. Fischer ¹ Alberta, Canada	Director	Corporate Director.	2011
Brian E. Frank ¹ Alberta, Canada	Director	Corporate Director. President and CEO of TimberWest Forest Corp. (private timberland company) from 2012 to 2014. From 1995 to 2011, held several senior executive positions with BP plc (public oil & gas company).	2014
M. George Lewis ^{1,2} Ontario, Canada	Director	Corporate Director. Portfolio Manager of RBC Global Asset Management from 2006 to his retirement in 2016 and until 2015, Group Head Wealth Management & Insurance, Royal Bank of Canada (financial institution). Has held several senior executive positions in his 30 year career with RBC.	2016
E.F.H. (Harry) Roberts ¹ Alberta, Canada	Director & Chair of the Board	Corporate Director.	2012
Bruce G. Waterman ^{1,2} Alberta, Canada	Director & Chair of the Audit Committee	Corporate Director. Executive Vice-President, International Development and other senior executive roles, Agrium Inc. (public agricultural company) from 2000 to 2013.	2014
Catherine L. Williams ¹ Alberta, Canada	Director	Corporate Director.	2016
Perry F. Schuldhuis Alberta, Canada	President	Vice-President, Business Development & President, Enbridge Income Fund at Enbridge. He has over 19 years of total employment with Enbridge.	N/A
Wanda M. Opheim Alberta, Canada	CFO	Senior Vice-President & Chief Accounting Officer at Enbridge. She has been employed by Enbridge for over 25 years.	N/A

Notes:

1. Independent Director.
2. Member of Audit Committee.

As at Year End, the directors and officers of the Company as a group beneficially owned, controlled or directed, directly or indirectly, 572,664 Common Shares, representing less than 1% of the issued and outstanding Common Shares on that date. The information as to shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Company, has been furnished by the respective directors and officers individually. The directors and officers do not beneficially own, control or direct, directly or indirectly, any voting securities of any Subsidiary of the Company.

DIRECTORS AND OFFICERS - THE MANAGER

The Manager is incorporated under the laws of Canada and is a wholly-owned Subsidiary of Enbridge. The head office of the Manager is located at 200, 425 - 1st Street SW, Calgary, Alberta T2P 3L8. As at the date of this AIF, the names, province and country of residence and principal occupations within the five preceding years of the directors and the officers of the Manager providing services to the Fund Group and the year in which they first became a director of the Manager, are set out below:

Name and Residence	Position with the Manager	Principal Occupation During the Five Preceding Years	Director Since
Byron C. Neiles Alberta, Canada	Director	Executive Vice President, Corporate Services of Enbridge. Mr. Neiles has been with Enbridge for over 23 years and has held a number of senior executive positions, including Senior Vice President, Major Projects.	2016
Robert R. Rooney, Q.C. ¹ Alberta, Canada	Director	Executive Vice President & Chief Legal Officer. Managing Director, Rim Rock Oil & Gas Inc. from 2016 to Jan. 2017, Vice-Chairman, Talisman Energy Inc. from 2015 to 2016 and Executive Vice-President, Corporation of Talisman Energy Inc. from 2008 to 2015.	2017
John. K. Whelen Alberta, Canada	President & Director	Executive Vice President & Chief Financial Officer of Enbridge. Mr. Whelen has been with Enbridge for over 25 years and has held a number of senior executive positions, including Senior Vice President, Finance and Senior Vice President & Controller.	2014
Perry F. Schuldhaus Alberta, Canada	President, Enbridge Income Fund	Vice-President, Business Development & President, Enbridge Income Fund of Enbridge. Mr. Schuldhaus has over 19 years of experience with Enbridge and over 30 years of experience in the energy industry in Canada, the United States and internationally and has held the position of Vice President, Upstream Business Development & Acquisitions of Enbridge Pipelines Inc.	N/A
Wanda M. Opheim Alberta, Canada	CFO, Enbridge Income Fund	Senior Vice-President & Chief Accounting Officer of Enbridge. Ms. Opheim has been with Enbridge for over 25 years and has held a number of senior executive positions including Senior Vice-President, Finance, Vice-President, Corporate Development & Planning and Vice-President, Treasury & Tax.	N/A
Andrew M. Swales Alberta, Canada	Treasurer, Enbridge Income Fund	Director, Treasury Planning of Enbridge. Mr. Swales has been with Enbridge for over 18 years, holding a number of positions, including Director, Investment Review.	N/A
Jana C. Hordichuk Alberta, Canada	Controller, Enbridge Income Fund	Director, Accounting of Enbridge. Ms. Hordichuk has been with Enbridge since 2012.	N/A
Debra J. Poon Alberta, Canada	Corporate Secretary, Enbridge Income Fund	Senior Legal Counsel of Enbridge since 2010.	N/A

Note:

1. Appointed February 1, 2017, to replace David T. Robottom, Q.C., the former Executive Vice-President & Chief Legal Officer who retired on December 31, 2016.

Each of the directors and officers of the Manager are also employees of Enbridge or a Subsidiary of Enbridge. In their role as directors and officers of the Manager, they devote such time as is required for the Manager to fulfill its obligations to the Fund and the Company.

As at Year End, the directors and all officers of the Manager (including the executive officers listed above) as a group beneficially owned or controlled or directed, directly or indirectly, Common Shares representing less than 1% of the issued and outstanding Common Shares on that date. The information as to shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Manager, has been furnished by the respective directors and officers individually. The directors and officers of the Manager do not beneficially own, or control or direct, directly or indirectly, any of the voting securities of any Subsidiary of the Manager or of the Company.

AUDIT COMMITTEE

A copy of the Terms of Reference for the Audit Committee is included as Appendix A to this AIF.

RELEVANT EDUCATION AND EXPERIENCE

The members of the Audit Committee at Year End were Bruce J. Waterman (Chair), Laura A. Cillis and M. George Lewis. The Board believes the composition of the Audit Committee reflects a high level of financial literacy and expertise. Each member of the Audit Committee is “independent” and “financially literate” as those terms are defined under Canadian securities laws and TSX requirements.

The following is a description of the education and experience, apart from their respective roles as directors of the Company, of each member of the Audit Committee that is relevant to the performance of his or her responsibilities as a member of the Audit Committee.

Name	Relevant Education and Experience
Bruce G. Waterman	Mr. Waterman is the Chair of the Audit Committee. He is an experienced financial executive with extensive expertise in the oil & gas industry, financial and capital markets, and business development. He has held senior executive positions with direct responsibility for controller's, corporate finance, tax, enterprise risk management and internal audit, including as Senior Vice-President, Finance & CFO at Agrium Inc. and Vice-President & CFO at Talisman Energy Inc. Mr. Waterman holds a B.Comm. (Hon.) from Queen's University and an ICD.D. He is a Chartered Professional Accountant and a Fellow of the Institute of Chartered Professional Accountants. Mr. Waterman is also a member of the Advisory Board of the 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. Mr. Waterman is the chair of the audit committees of ECT and Enbridge Pipelines Inc. and a member of the audit committees of Encana Corporation (TSX, NYSE) and Irving Oil (private oil & gas company). He also served as the chair of the audit committee of OPTI Canada, Inc.
Laura A. Cillis	Ms. Cillis has more than 25 years of financial experience in the oilfield services industry. She was the Senior Vice President, Finance & CFO of Calfrac Well Services Ltd. and the CFO of Canadian Energy Services LP. She has held various finance, accounting and/or tax positions at Precision Drilling Corporation, Schlumberger and PricewaterhouseCoopers. Ms. Cillis holds a B.Comm. (Accounting) from the University of Alberta and an ICD.D. She is a Chartered Accountant and a member of Financial Executives International Canada. Ms. Cillis is a member of the audit committees of ECT, Enbridge Pipelines Inc., and Crescent Point Energy Corp. (TSX, NYSE) and the Chair of the audit committee of Solum Capital Inc. (TSX).
M. George Lewis	Mr. Lewis was with the RBC Group for over 30 years, serving in a number of senior executive positions, including: Group Head of Wealth Management & Insurance; Chairman and CEO of RBC Global Asset Management; Head of Wealth Management, Brokerage, Asset Management & Banking Products, RBC Personal & Business Canada; Head of Financing & Investment Products, RBC Banking and RBC Investments; Managing Director, Head of Institutional Equity; and Director of Research at RBC Capital Markets. From 2006 to his retirement, he was a Portfolio Manager with RBC Global Asset Management and earlier in his career at RBC, Mr. Lewis was a top-rated analyst of pipeline, utility and telecom companies as well as an investment banker involved in large merger and acquisition advisory assignments. Prior to joining RBC, he was an auditor with Arthur Anderson & Co. Mr. Lewis holds a B.Comm. with high distinction from Trinity College, University of Toronto, a MBA with distinction from Harvard University and an ICD.D. He is a Chartered Professional Accountant, a Fellow of the Institute of Chartered Professional Accountants and a Certified Financial Analyst. Mr. Lewis is the chair of the Audit & Risk Committee of Ontario Power Generation Inc. and a member of the audit committees of ECT and Enbridge Pipelines Inc.

PRE-APPROVAL POLICIES AND PROCEDURES

Pursuant to the Audit Committee's Terms of Reference, the Audit Committee's duties and responsibilities specifically include pre-approval of non-audit services to be provided to the Company or its Subsidiaries by the Company's auditor. In order to guide and facilitate the Audit Committee's discharge of this duty and responsibility, the Audit Committee approved a policy which prescribes categories of both permitted and prohibited services which either may or may not be performed by the Company's auditor. In the case of permitted services, the Audit Committee must oversee and provide prior approval of the services, with the exception that the Chair of the Audit Committee has the authority to engage the Company's auditor for permitted services with fees of up to \$25,000 and in the absence of the Chair of the Audit Committee, any other Audit Committee member shall have authority to engage the auditors for permitted services up to an aggregate of \$10,000 between meetings of the Audit Committee, subject to confirmation by the Audit Committee at its next meeting. Permitted services include:

- a) assurance (audit) services, accounting consultation and special procedures;

- b) tax services, including tax research and assistance with respect to Canadian tax issues and tax planning;
- c) reviews of operational controls and effectiveness risk, including enterprise risk management, corporate governance and compliance management;
- d) reviews of technology risks, including security reviews, systems implementation control reviews and forensic investigation; and
- e) reviews of financial risk, including due diligence reviews and valuation advice relating to post- employment benefits.

The Audit Committee believes that it is appropriate for the Company to preserve its ability to retain its external auditors for non-audit services in the permitted categories as they may be best equipped to render certain categories of services (such as tax compliance services) to the Company in the most efficient and economical manner.

EXTERNAL AUDITOR SERVICES - FEES

For the years ended December 31, 2016 and December 31, 2015, PricewaterhouseCoopers LLP billed the Company total fees of \$84,529 and \$183,872 respectively, comprised of the following:

	2016	2015	Description of Fee Category
Audit Fees	\$68,314	\$75,600	Audit services.
Audit-Related Fees	\$10,110	\$75,000	Assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not included under "Audit Fees". The 2015 fees were in connection with due diligence for prospectus offerings and services provided in connection with the 2015 Transaction, including the management information circular.
Tax Fees	Nil	Nil	Tax compliance, tax advice and tax planning.
All Other Fees	\$6,105	\$33,272	Products and services provided other than services reported under "Audit Fees", "Audit-Related Fees" and "Tax Fees". These fees include Canadian Public Accountability Board fees, French translation work and process reviews.
Total Fees	\$84,529	\$183,872	

ECT has agreed to reimburse the Company for external auditor service fees. See "*Interest of Management and Others in Material Transactions*" of this AIF.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the Common Shares is CST Trust Company, P.O. Box 700, Station B, Montreal, Quebec H3B 3K3; Telephone: 1-800-387-0825 or 416-682-3860 outside of North America, Website: www.canstockta.com.

CONFLICTS OF INTEREST AND FIDUCIARY DUTIES

Certain conflicts of interest could arise as a result of the relationships among the Company, the Fund, ECT, the Fund Group, Enbridge, the Manager and their respective Affiliates. The executive officers of the Company are officers of the Manager and also officers and employees of Enbridge or its Affiliates, which create the potential for conflicts of interest. Enbridge will directly or indirectly, through the Manager and other Subsidiaries, make decisions and recommendations relating to the business, assets and investments of the Fund Group.

The directors and officers of Enbridge and the Manager have fiduciary duties to manage Enbridge and the Manager, respectively, including investments in Subsidiaries, in a manner beneficial to Enbridge and the Manager, respectively. The duties of the directors and officers of the Manager and Enbridge may come into conflict with their duties to the Company, the Fund and ECT. All of the directors of the

Company are also ECT Trustees. The ECT Trust Indenture provides that certain conflicts will be permitted and deemed approved, such as those determined by the Manager to be on terms no less favourable to ECT than those generally being provided to or available from unrelated third parties, and that conflicts rising relating to the fees to be paid to the Manager, Enbridge or their Affiliates, or a material related party agreement, must be referred to the ECT Conflicts Committee for review. As well, the ABCA contains requirements relating to disclosure by directors and officers of interests in material transactions involving the Company and abstention by directors from voting on such transactions.

For additional information regarding relationships of Enbridge and its Affiliates to the Fund Group, see “Conflicts of Interest and Fiduciary Duties” in the Fund AIF which is filed on SEDAR at www.sedar.com.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The only material interests, direct or indirect, of any director or executive officer of the Company or of a Person that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares and of any Associate or Affiliate of the foregoing, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company are set forth below.

1. The Manager, a wholly-owned Subsidiary of Enbridge, is responsible for providing management and administrative services to the Company, the Fund, ECT and EIPLP, and will receive compensation from the Fund and ECT for such services. No fee was paid by the Company to the Manager as fees were paid by the Fund to the Manager. See the Fund AIF and financial statements of the Fund and EIPLP for the year ended December 31, 2015 filed on SEDAR at www.sedar.com for disclosure of amounts paid by the Fund to the Manager.
2. Pursuant to the Fund Trust Indenture, the Company 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, inclusive in the case of Enbridge, of the Fund Units, ECT Preferred Units, ECT Class B Units and EIPLP Class C Units owned by Enbridge and its Affiliates.
3. In November 2014, the Fund indirectly acquired a 50% interest in the U.S. segment of the Alliance Pipeline and subscribed for Class A units of certain Enbridge Subsidiaries which entitle the holder to defined cash flows from the Southern Lights Pipeline, which is indirectly owned by Enbridge. To partially fund the acquisition by the Fund, the Company sold 2,760,000 Common Shares to Enbridge. See “General Development of the Business” of this AIF.
4. On September 1, 2015, concurrent with closing of the 2015 Transaction, the Company entered into the Exchange Right Support Agreement, Registration Rights Agreement and the Governance Agreement. See “Description of Share Capital – Exchange Rights and Registration Rights” and “Description of Share Capital – Governance Agreement” of this AIF.
5. On November 6, 2015, the Company 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 \$700.1 million 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 \$173.9 million, which enabled Enbridge to maintain its 19.9% holding of Common Shares. See “General Development of the Business” of this AIF.
6. On April 20, 2016, the Company completed a bought deal offering of an aggregate of 20,353,850 Common Shares at a price of \$28.25 per Common Share for gross proceeds of \$575.0 million and a concurrent private placement to Enbridge of an aggregate of 5,056,150 Common Shares at a price of \$28.25 per Common Share for gross proceeds of \$142.8 million, which Enbridge to maintain its 19.9% holding of Common Shares. See “General Development of the Business” of this AIF.

MATERIAL CONTRACTS

Agreements that may be considered material to the Company, other than agreements entered into in the ordinary course of business, are as follows:

1. Management Agreement. See "*Management Agreement*" of this AIF;
2. Shareholder Rights Plan Agreement. See "*Description of Share Capital – Shareholder Rights Plan*" of this AIF;
3. DRIP. See "*Dividends and Distributions - Dividend Reinvestment and Share Purchase Plan*" of this AIF;
4. Unitholders Agreement which was last amended and restated on September 1, 2015 among the Company, the Fund, Enbridge, IPL System and the Manager, pursuant to which: (a) Enbridge and IPL System together, and the Company, were granted identical rights of first refusal on any Fund Units proposed to be sold by the other pursuant to a *bona fide* third party offer to purchase; and (b) holders of Common Shares were granted tag-along rights in the event any Person offers to acquire not less than 90% of the EIPLP Class C Units, EIPLP Class D units, ECT Preferred Units, ECT Class B Units, Fund Units and Common Shares beneficially owned by Enbridge and IPL System, taken as a whole, except where such offer is made by way of *bona fide* unsolicited arm's length take-over bid, amalgamation, arrangement or other transaction made in writing to all Shareholders for all or a portion of the Common Shares in accordance with applicable corporate and securities legislation. The third party offeror is obligated to extend the offer to purchase to the Common Shares held by the remaining Shareholders on economically equivalent terms and conditions. The tag along rights will be of no force and effect if Enbridge or one of its Affiliates ceases to be the Manager pursuant to the ECT Management Agreement;
5. Governance Agreement. See "*Description of Share Capital – Governance Agreement*" of this AIF;
6. Exchange Right Support Agreement. See "*Description of Share Capital – Exchange Rights and Registration Rights*" of this AIF; and
7. Registration Rights Agreement. See "*Description of Share Capital – Exchange Right and Registration Rights*" of this AIF.

The foregoing agreements are available on SEDAR at www.sedar.com.

INTEREST OF EXPERTS

The Company's auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants. PricewaterhouseCoopers LLP audited the financial statements of the Company as at December 31, 2016 and December 31, 2015 and for each of the periods then ended, as set forth in its auditor's report dated February 17, 2017. PricewaterhouseCoopers LLP has advised that it is independent with respect to the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Alberta.

ADDITIONAL INFORMATION

Additional information about the Company is available on SEDAR at www.sedar.com. ***The aforementioned information is made available in accordance with legal requirements and is not, unless otherwise specifically stated, incorporated by reference into the AIF.***

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of our securities and securities authorized for issuance under equity compensation plans, where applicable, is contained in the management information circular for the Company's most recent annual meeting of shareholders at which directors were elected.

Additional financial information is provided in the MD&A and the Company's audited financial statements as at and for the year ended December 31, 2016 which are available on SEDAR at www.sedar.com.

ENBRIDGE INCOME FUND

Additional information about the Fund can be found in the Fund AIF, its financial statements and management's discussion and analysis as well as the financial statements and management's discussion and analysis of EIPLP, all of which are as at or for the year ended December 31, 2016 which have been filed with the securities commissions or similar authorities in each of the provinces of Canada. These documents contain detailed disclosure with respect to the Fund and are publicly available on SEDAR at www.sedar.com under the Fund's profile. ***These documents are not, unless otherwise specifically stated, incorporated by reference into this AIF.***

APPENDIX A

ENBRIDGE INCOME FUND HOLDINGS INC.

AUDIT COMMITTEE

TERMS OF REFERENCE

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

I. CONSTITUTION

There shall be a committee, to be known as the Audit Committee (the "**Committee**"), of the Board of Directors (the "**Board**") of Enbridge Income Fund Holdings Inc. (the "**Corporation**").

The purpose of the Committee shall be to directly oversee the work of the external auditors (the "**Auditors**") of the Corporation engaged for the purpose of preparing or issuing an auditor's report and performing other audit, review or attestation services for the Corporation.

II. MEMBERSHIP

Following each annual meeting of shareholders of the Corporation, the Board shall elect from its members, not less than three (3) Directors to serve on the Committee (the "**Members**"). The Members and the Chair of the Committee are to be appointed by the Board.

No Member of the Committee shall be an officer or employee of the Corporation, Enbridge Income Fund, Enbridge Commercial Trust, Enbridge Management Services Inc. (the "**Manager**"), Enbridge Inc., or any of their respective affiliates (collectively, the "**Enbridge Group**"). Furthermore, the Committee shall be comprised entirely of independent Directors. For the purposes of these Terms of Reference, a Member of the Committee is independent if the Member has no direct or indirect material relationship with the Corporation or the Enbridge Group. In general, a material relationship is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a Member's independent judgment. However, in accordance with applicable law, the persons described in Appendix A hereto shall be considered to have a material relationship with the Corporation and the Enbridge Group, whether or not the Board so determines.

Each Member of the Committee shall have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the financial statements of the Corporation. A Member who is not financially literate at the time of appointment shall have a reasonable amount of time following his or her appointment to become financially literate.

Any Member may be removed or replaced at any time by the Board and shall cease to be a Member upon ceasing to be a Director of the Corporation. Each Member shall hold office until the close of the next annual meeting of shareholders of the Corporation or until the Member ceases to be a Director, resigns or is replaced, whichever first occurs.

The Corporate Secretary of the Manager shall be secretary to the Committee unless the Committee directs otherwise.

III. MEETINGS

The Committee shall convene at such times and places designated by its Chair or whenever a meeting is requested by a Member, the Board, an officer of the Corporation, the internal auditor or the Auditors. A minimum of twenty-four (24) hours' notice of each meeting shall be given to each Member, the internal auditor and the Auditors. The Corporate Secretary and members of Management shall attend whenever requested to do so by a Member.

A meeting of the Committee shall be duly convened if a majority of the Members are present. Where the Members consent, and proper notice has been given or waived, Members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities that permit all persons participating in the meeting to communicate adequately with each other,

and a Member participating in such a meeting by any such means is deemed to be present at that meeting.

In the absence of the Chair of the Committee, the Members may choose one (1) of the Members to be the Chair of the meeting.

Where appropriate, Members of the Committee may meet separately with the Auditors, the internal auditor or any member of Management.

Minutes shall be kept of all meetings of the Committee.

IV. ASSESSMENTS

The Committee shall review and assess the adequacy of its Terms of Reference at least annually and propose recommended changes to the Board.

The Committee shall conduct an annual assessment and evaluation of the effectiveness of the Committee and its governance practices.

V. DUTIES AND RESPONSIBILITIES OF THE CHAIR

The Chair is responsible for:

- (a) convening Committee meetings and designating the times and places of those meetings;
- (b) ensuring Committee meetings are duly convened and that quorum is present when required;
- (c) working with the Manager on the development of agendas and related materials for the Committee meetings;
- (d) liaising with the Manager regarding financial reporting issues, internal controls and accounting matters, as deemed appropriate;
- (e) managing communications between the Committee and the provider of internal audit services for any business in which the Corporation holds an interest;
- (f) ensuring Committee meetings are conducted in an efficient, effective, focused and respectful manner to ensure that the value of Committee member participation is maximized;
- (g) ensuring the Committee has sufficient information to permit it to properly make decisions when decisions are required;
- (h) providing leadership to the Committee and assisting the Committee in reviewing and monitoring its responsibilities;
- (i) advising the Committee of any finance, accounting or misappropriation matters brought to the Chair's attention through the Corporation's whistleblower procedures; and
- (j) reporting to the Board on the recommendations and decisions of the Committee.

VI. DUTIES, RESPONSIBILITIES AND AUTHORITY

The Committee provides assistance to the Board in fulfilling its oversight responsibility to the shareholders, the investment community and others, relating to the integrity of the Corporation's financial statements and the financial reporting process, the management information systems and financial controls, the internal audit function, the Auditors' qualifications, independence, performance and reports, the Corporation's compliance with legal and regulatory requirements and the risk identification, assessment and management program. In so doing, it is the Committee's responsibility to maintain an open avenue of communication between the Committee, the Auditors, the internal auditors and Management.

The Manager is responsible for preparing the interim and annual financial statements and financial disclosure of the Corporation and for maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded and that transactions are authorized, executed, recorded and reported properly. The Committee's role is to provide meaningful and effective oversight and counsel to Management without assuming responsibility for Management's day-to-day duties.

In the performance of its duties and responsibilities with respect to the Corporation and the Corporation's subsidiary entities, the Committee shall perform the duties and responsibilities stated herein, as are appropriate and the Committee shall have the right to:

- (a) inspect any and all of the books and records, in written, electronic or other format, of the Corporation, its subsidiaries and affiliates;
- (b) discuss with the officers of the Manager and the Corporation (and their respective subsidiary entities and affiliates), the internal auditor and the Auditors, such accounts, records and other matters as any Member considers appropriate;
- (c) engage and compensate independent legal counsel and other advisors which the Committee determines are necessary to carry out its duties; and
- (d) communicate directly with the Auditors and the internal auditors.

DUTIES AND RESPONSIBILITIES RELATED TO THE EXTERNAL AUDITORS

The Auditors shall report directly to the Committee and are ultimately accountable to the Committee. The Committee shall, as permitted by and in accordance with all applicable legal and regulatory requirements:

- (a) directly oversee the work of the Auditors engaged for the purpose of preparing or issuing an audit report or related work;
- (b) pre-approve all non-audit services to be provided to the Corporation or its subsidiaries by the Auditors, including pursuant to a policy adopted by the Committee that satisfies applicable legal requirements for non-audit service pre-approval, from time to time. This duty may be delegated to one or more Members provided that any non-audit services pre-approved by such Member(s) are presented to the Committee at its first scheduled meeting following such pre-approval;
- (c) recommend to the Board the Auditors to be nominated for the purpose of preparing or issuing an audit report (or any related audit, review or attest services);
- (d) review the terms of the Auditors' engagement, including the appropriateness and reasonableness of the proposed audit fees and any unpaid fees, and make any necessary recommendations to the Board in respect of the Auditors' compensation;
- (e) review and discuss with the Auditors all relationships that the Auditors and their affiliates have with the Corporation and its affiliates in order to determine the independence of the Auditors
- (f) when there is to be a change of Auditors, review all issues related to the change, including the information to be included in the Notice of Change of Auditor called for under any applicable legislation and requirements, and the planned steps for an orderly transition period;
- (g) review all reportable events, including disagreements, unresolved issues and consultations, as defined in any applicable legislation or requirements, on a routine basis, whether or not there is to be a change of Auditors;
- (h) discuss with Management and the Auditors any correspondence from or with regulators or governmental agencies, any employee complaints or any published reports that raise material issues regarding the Corporation's financial statements or accounting policies; and
- (i) conduct, with input from the Manager, a periodic review or evaluation of the Auditors' performance and qualifications, including the skills, expertise and resources necessary to address the Corporation's areas of greatest financial risk reporting, quality and candor of the Auditor's communications with the Committee and the Corporation, the Auditor's independence,

objectivity, professional skepticism and responsiveness, and report any conclusions or recommendations to the Board.

DUTIES AND RESPONSIBILITIES RELATED TO AUDITS AND FINANCIAL REPORTING

The Committee shall, as permitted by and in accordance with all applicable legal and regulatory requirements:

- (a) review the engagement terms and the audit plan with the Auditors and with the Management;
- (b) review with Management and, as deemed necessary, review with the Auditors, any anticipated or proposed changes in major accounting policies or reporting standards, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of Management that may be material to financial reporting;
- (c) review and recommend, if advisable, the adoption and application of new accounting standards;
- (d) review with Management and, as deemed necessary, with the Auditors, significant financial reporting issues arising during the fiscal period, including the methods of resolution;
- (e) review any problems experienced by the Auditors in performing an audit, including any restrictions imposed by Management or significant accounting issues on which there was a disagreement with Management;
- (f) annually, or more frequently as deemed necessary, review with Management, the Auditors and, as necessary, internal and external legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Corporation and the manner in which these matters may be, or have been, disclosed in the financial statements;
- (g) review the audited annual financial statements, in conjunction with the report of the Auditors, including a review of any significant variances between comparative reporting periods;
- (h) review the post-audit or management letter containing the recommendations of the Auditors and the response of Management, if any, including an evaluation of the adequacy and effectiveness of the internal controls of the Corporation (in respect of the scope of review of internal controls by the Auditors, the review is carried out to enable the Auditors to express an opinion on the Corporation's financial statements);
- (i) review the interim unaudited financial statements, including the notes thereto and a review of any significant variances between comparative reporting periods;
- (j) review before release relevant public disclosure documents containing audited or unaudited financial information, including any press releases, prospectuses, the Annual Information Form, the Information Circular and the Management's Discussion and Analysis disclosure;
- (k) annually, or more frequently as deemed necessary, meet separately with Management and the Auditors, and at least annually with the internal auditors, to review issues and matters of concern respecting audits and financial reporting processes;
- (l) review the appointment of the chief financial officer of the Corporation and of the Manager;
- (m) inquire into and determine the appropriate resolution of conflicts of interest in respect of audit matters between or among an officer, Director, shareholder, the internal auditors, or the Auditors, which are properly directed to the Committee by the Chair of the Board, the Board, a Director, a shareholder, the internal auditors, the Auditors, or Management;
- (n) ensure that procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements;
- (o) ensure that procedures are in place for the receipt, retention and treatment of complaints received by the Corporation or the Manager regarding accounting, internal accounting controls or auditing matters;

- (p) ensure that procedures are in place for the confidential, anonymous submission by employees and contractors of the Corporation and the Manager of concerns regarding questionable accounting or auditing matters;
- (q) review and approve the hiring policies of the Corporation and the Manager regarding partners, employees and former partners and employees of the present and former Auditors; and
- (r) as deemed necessary by the Committee, inquire into and examine matters relating to the financial affairs of the Corporation, its subsidiaries or affiliates, or any of them.

DUTIES AND RESPONSIBILITIES RELATED TO FINANCIAL REPORTING PROCESSES AND INTERNAL CONTROLS

The Manager shall retain the services of an internal auditor, which will report directly to the Committee. The Committee shall, as permitted by and in accordance with all applicable legal and regulatory requirements:

- (a) review the adequacy and effectiveness of the accounting and internal control policies of the Corporation and procedures through inquiry and discussions with the Auditors, the internal auditor and Management;
- (b) review with Management the Corporation's administrative, operational and accounting internal controls, including controls and security of the computerized information systems, and evaluate whether the Corporation is operating in accordance with prescribed policies, procedures;
- (c) annually or more frequently if deemed necessary, meet separately with the Auditor, the head of the internal audit services provider and Management, to review issues and matters of concern respecting financial reporting processes and internal controls;
- (d) review with Management and the Auditors any reportable conditions, material weaknesses and significant deficiencies affecting internal control;
- (e) establish and maintain free and open means of communication between and among the Committee, the Auditors, the internal auditor and Management;
- (f) approve the charter for the internal auditor, which shall be reviewed and updated periodically;
- (g) review at least annually with the internal auditor the Corporation's internal control procedures;
- (h) review at least annually the scope and plans for the work of the internal auditor, review the adequacy of the resources of the internal auditor and ensure that the internal auditor has unrestricted access to: (a) all functions, records, property and personnel of the Corporation and its subsidiaries; and (b) the Committee at all times, as well as the Committee to the internal auditor;
- (i) review the annual report issued by the internal auditor including the response, if any, of Management; and
- (j) review and approve initial forward-looking information disclosure, determine whether updates are required, question Management on the assumptions used, and approve targets before they are disclosed publicly.

DUTIES AND RESPONSIBILITIES RELATED TO RISK MANAGEMENT

The Committee shall, as permitted by and in accordance with all applicable legal and regulatory requirements, review with the Manager at least annually:

- (a) a comprehensive corporate risk assessment covering strategic, commercial, operational, financial and environmental matters, including Management's risk mitigation strategies and oversight of any corporate risk assessment report to the Board;
- (b) financial risk management, including the measurement and reporting of exposures to commodity price, foreign currency and interest rate risk; cash management and credit; and the use of

derivative transactions, and recommend the adoption of policies by the Board to manage financial risk, which may provide for delegation of authority to Management or members of the Enbridge Group;

- (c) the Corporation's adequacy of tax provisions;
- (d) the Corporation's adequacy of insurance coverage; and
- (e) the programs, procedures and practices implemented by Management to secure and protect the information and electronic systems of the Corporation.

The Committee shall consider such other financial risk management matters from time to time as the Committee may consider appropriate or as the Board may specifically direct.

GENERAL DUTIES OF AUDIT COMMITTEE

The Committee shall, as deemed necessary by the Committee and as permitted by and in accordance with all applicable legal and regulatory requirements:

- (a) review expense report summaries of the President and the Manager;
- (b) meet separately with senior management, the internal auditors, the Auditors, employees or independent advisors in respect of audit, finance and risk matters, at each Committee meeting attended by any of the foregoing;
- (c) meet *in camera* as a Committee, to discuss enhancing the effectiveness of the Committee, with reference to these Terms of Reference;
- (d) report to the Board after each Committee meeting, as required during the year, with respect to the Committee's activities and recommendations; and
- (e) address any other matter properly referred to the Committee by the Chair of the Board, the Board, a Director, the internal auditors, the Auditors or the Manager.

VII. COMMITTEE SCHEDULE

The major annual activities of the Committee shall be outlined in an annual schedule. A sample annual schedule is set forth below.

ANNUAL SCHEDULE FOR THE AUDIT COMMITTEE OF ENBRIDGE INCOME FUND HOLDINGS INC.	
DATE ⁽¹⁾	PROPOSED AGENDA
January/ February	<ul style="list-style-type: none"> • Review Annual Financial Results • Recommend Annual Financial Statements, Management's Discussion and Analysis and News Release • Review Auditors Letter to Audit Committee • Recommend Appointment of Auditors • Review Management letter to Audit Committee • Review of Financial Risk Management Report • Recommend Annual Information Form • Review forward-looking information disclosure • Review/Update Terms of Reference for Audit Committee • Review of next year's Audit Committee Meeting Schedule and Agenda
February/ March	<ul style="list-style-type: none"> • Recommend Notice of Meeting, Information Circular and Proxy Form

ANNUAL SCHEDULE FOR THE AUDIT COMMITTEE OF ENBRIDGE INCOME FUND HOLDINGS INC.	
DATE ⁽¹⁾	PROPOSED AGENDA
April/May	<ul style="list-style-type: none"> • Review First Quarter Financial Results • Recommend Interim Financial Statements, Management's Discussion and Analysis and News Release • Review forward-looking information disclosure • Internal Audit Report and Plan for next year • Review/update Internal Audit Charter • Insurance Report • Review President's Expense Report
July/August	<ul style="list-style-type: none"> • Review Second Quarter Financial Results • Recommend Interim Financial Statements, Management's Discussion and Analysis and News Release • Review forward-looking information disclosure • Review External Auditors: <ul style="list-style-type: none"> • Engagement Letter • Audit Plan • Recommend External Audit Fees and Review Engagements and Services other than as Auditor • Information Security Update
October / November	<ul style="list-style-type: none"> • Review Third Quarter Financial Results • Recommend Interim Financial Statements, Management's Discussion and Analysis and News Release • Review forward-looking information disclosure • Corporate Risk Assessment Report

NOTE:

(1) Dates noted are approximate and will be determined in a complete annual schedule for each year circulated and approved in the preceding year, and adjusted as required.

APPENDIX A

The following individuals are considered to have a material relationship with the Corporation and/or the Enbridge Group (collectively, the "**issuer**"):

- a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
- b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
- c) an individual who: (a) is a partner of a firm that is the issuer's internal or external auditor, (b) is an employee of that firm, or (c) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
- d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual: (a) is a partner of a firm that is the issuer's internal or external auditor, (b) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or (c) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
- e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and
- f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.

Note: For the purposes of the above, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

Notwithstanding the above, an individual who (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or (b) is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer. The indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, which occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer. Compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.