

Corporate Office
135 Queens Plate Drive
Suite 300
Toronto, Ontario
M9W 6V1



BFI CANADA INCOME FUND
NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS
MAY 11, 2006

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "Meeting") of the holders of ordinary units (the "Units") and the Class A unit (the "Class A Unit" and, together with the Units, the "Trust Units") (the "Voting Unitholders") of BFI Canada Income Fund (the "Fund") will be held at the **TSX Conference Centre, Toronto Stock Exchange, 130 King Street West, Toronto, Ontario on Thursday, May 11, 2006 at 2:00 p.m.**, Toronto time, for the following purposes:

- (a) to receive the financial statements of the Fund for the period ended December 31, 2005 and the report of the auditors thereon;
- (b) to appoint auditors and to authorize the trustees to fix the remuneration of the auditors;
- (c) to appoint trustees;
- (d) to elect nominees of the Fund to serve as directors of 4264126 Canada Limited ("BFI Canada Newco");
- (e) to consider, and if deemed advisable, pass, with or without variation, a special resolution in the form attached as Schedule "A" to the accompanying management information circular approving the Unit Option Plan of the Fund adopted by the trustees, as summarized in the management information circular; and
- (f) to transact such other business as may properly come before the Meeting and any and all adjournments thereof.

A management information circular and form of proxy accompany this Notice.

DATED at Toronto, Ontario this 17th day of March, 2006.

BY ORDER OF THE BOARD OF TRUSTEES

A handwritten signature in black ink, appearing to be "W. Chyfetz", written over a horizontal line.

William Chyfetz
Vice President, General Counsel and Secretary,
4264126 Canada Limited, in its capacity as
attorney for BFI Canada Income Fund

If you are a Voting Unitholder and you are unable to attend the Meeting in person, you are requested to date, sign and return the enclosed form of proxy in the envelope provided for that purpose to Computershare Investor Services Inc. so as to arrive not later than 2:00 p.m. (Toronto time) on May 9, 2006 or, if the Meeting is adjourned, 48 hours (excluding weekends and holidays) before any reconvened meeting. The enclosed form of proxy may be returned by facsimile to (416) 263-9524 or 1-866-249-7775, or by mail (a) in the enclosed envelope, or (b) in an envelope addressed to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1. Only Voting Unitholders of record at the close of business on March 16, 2006 will be entitled to vote at the Meeting or any adjournment thereof.



BFI CANADA INCOME FUND

**135 Queens Plate Drive, Suite 300
Toronto, Ontario
M9W 6V1**

MANAGEMENT INFORMATION CIRCULAR

DATED MARCH 17, 2006

THE FUND AND BFI CANADA NEWCO

BFI Canada Income Fund (the "Fund") is a limited purpose trust established under the laws of the Province of Ontario by a declaration of trust dated February 28, 2002, as amended and restated on April 15, 2002, further amended and restated on January 21, 2005 and further amended by a first supplemental indenture dated October 6, 2005 and a second supplemental indenture dated January 1, 2006 (together the "Second Amended and Restated Declaration of Trust").

The Fund's activities are restricted to investing in and otherwise dealing with securities, including those issued by its subsidiary entities, 4264126 Canada Limited ("BFI Canada Newco" or the "Company"), BFI Canada Holdings Inc. ("BFI Canada Holdings"), IESI Corporation ("IESI"), and other entities involved, directly or indirectly, in the business of non-hazardous solid waste collection, management and disposal. The Fund is also the sole unitholder of Ridge Landfill Trust, which holds the Fund's indirect interest in the Ridge Landfill that was acquired on January 4, 2005. The Fund also carries on other related activities as permitted by the Second Amended and Restated Declaration of Trust.

The affairs of the Fund are supervised by its board of trustees (the "Board of Trustees" or "Trustees") who are responsible for, among other things, representing the Fund as a securityholder of BFI Canada Newco, BFI Canada Holdings, IESI and Ridge Landfill Trust, and effecting payments of distributable cash from the Fund to holders of Trust Units.

PROXY SOLICITATION AND VOTING AT THE ANNUAL AND SPECIAL MEETING

Solicitation of Proxies

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by the Trustees of the Fund from registered owners of ordinary trust units (the "Units") and the Class A trust unit (the "Class A Unit" and, together with the Units, the "Trust Units") of the Fund for use at the annual and special meeting (the "Meeting") of holders of Trust Units ("Voting Unitholders") of the Fund to be held on May 11, 2006 at the TSX Conference Centre, 130 King Street West, Toronto, Ontario at 2:00 p.m., and at any adjournment thereof, for the purposes set forth in the notice of Meeting. Proxies will be solicited primarily by mail and may also be solicited personally by the Fund or its subsidiaries at nominal cost. The cost of such solicitation will be borne by the Fund.

Appointment of Proxies

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

To be valid, proxies must be returned to Computershare Investor Services Inc. so as to arrive not later than 2:00 p.m. (Toronto time) on May 9, 2006 or, if the Meeting is adjourned, 48 hours (excluding weekends and holidays) before any reconvened meeting. Proxies may be returned by facsimile to (416) 263-9524 or 1-866-249-7775, or by mail (a) in the enclosed envelope, or (b) in an envelope addressed to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1.

Voting of Trust Units — Advice to Non-Registered Holders

Only registered holders of Trust Units or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Trust Units of the Fund beneficially owned by a person (a “Non-Registered Holder”) are registered either: (i) in the name of an intermediary (an “Intermediary”) with whom the Non-Registered Holder deals in respect of the Trust Units (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”)) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101, the Fund will have distributed copies of the notice, this Circular and the form of proxy (collectively, the “Meeting Materials”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders. Non-Registered Holders will be given, in substitution for the proxy otherwise contained in proxy-related materials, a request for voting instructions (the “Voting Instructions Form”) which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary, will constitute voting instructions which the Intermediary must follow.

The purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Trust Units of the Fund they beneficially own. Should a Non-Registered Holder who receives the Voting Instructions Form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should so indicate in the place provided for that purpose in the Voting Instructions Form and a form of legal proxy will be sent to the Non-Registered Holder. In any event, Non-Registered Holders should carefully follow the instructions of their Intermediary set out in the Voting Instructions Form.

Revocation of Proxies

A registered Voting Unitholder who has given a proxy may revoke the proxy (a) by completing and signing a proxy bearing a later date and returning it to Computershare Investor Services Inc. in the manner and so as to arrive as described above, (b) by depositing an instrument in writing executed by the Voting Unitholder or by the Voting Unitholder’s attorney authorized in writing (i) at the head office of the Fund at any time up to and including the last business day preceding the date of the Meeting, or any reconvened meeting, at which the proxy is to be used, or (ii) with the Chairperson of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or (c) in any other manner permitted by law.

Voting of Proxies

The persons named in the accompanying form of proxy will vote or withhold from voting the Trust Units in respect of which they are appointed in accordance with the direction of the Voting Unitholder appointing them and if the Voting Unitholder specifies a choice with respect to any matter to be acted upon, the Trust Units will be voted accordingly. **Where no choice is specified, the proxy will confer discretionary authority and will be voted FOR the appointment of the auditors and the authorization of the Trustees to fix the remuneration of the auditors, FOR the appointment of the nominees named herein as Trustees, FOR the election of nominees of the Fund to serve as directors of the Company, and FOR the approval of the Unit Option Plan, all as set out in this Circular. The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Circular, the Trustees know of no such amendments, variations or other matters to come before the Meeting.** However, if any

such amendment, variation or other matter properly comes before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote thereon in accordance with their judgment.

TRUST UNITS AND THE RETAINED INTEREST

On March 16, 2006, the Fund had outstanding 53,616,286 Units and one Class A Unit. Each holder of Trust Units of record at the close of business on March 16, 2006, the record date established for notice of the Meeting, will be entitled to vote on all matters proposed to come before the Meeting, subject to certain restrictions with respect to the election of Trustees described below, even though such Voting Unitholder has since that date disposed of such Voting Unitholder's Trust Units. No Voting Unitholder who acquires Trust Units after the record date shall be entitled to vote at the Meeting or any adjournment thereof.

On November 28, 2004, the Fund, certain of its affiliates and IESI entered into an agreement (the "Transaction Agreement"), which provided for, among other things, the combination of the business carried on by BFI Canada Holdings and its subsidiaries (collectively, "BFI Canada") with the business carried on by IESI and its subsidiaries (the "Transaction"). Following the completion of the Transaction on January 21, 2005, the Fund indirectly owns all of the outstanding common shares of BFI Canada and IESI, the holding companies for the combined business' Canadian and U.S. operations, respectively, and IESI acquired the Class A Unit. Also, upon the completion of the Transaction, the former equity investors in IESI (the "Retained Interest Holders") were issued participating preferred shares of IESI (the "Participating Preferred Shares") which were exchangeable for approximately 22.3 million Units, representing an approximately 34% interest in the Fund at that date. As of December 31, 2005 the outstanding Participating Preferred Shares were convertible into approximately 12.5 million Units, representing an approximately 19% interest in the Fund at that date.

So long as the holder of the Class A Unit is entitled to designate at least one Trustee, the holders of the Participating Preferred Shares are entitled, voting together as a single class, to designate one of the three directors of IESI. The holders of the Participating Preferred Shares are also entitled to exercise all rights associated with the Class A Unit. In particular, the Class A Unit enables the holder to vote on all matters at any meeting (including resolutions in writing) of Voting Unitholders on the basis of one vote for each Unit for which the then-outstanding Participating Preferred Shares are exchangeable, other than with respect to the election of Trustees. So long as the holder of the Class A Unit is entitled to designate at least one Trustee, all votes attaching to the Class A Unit and any Units held by Retained Interest Holders shall be deemed to be voted in favour of the Trustees nominated for election by the Fund's Governance and Nominating Committee, subject to certain conditions under the securityholders' agreement dated January 21, 2005 between the Fund, BFI Canada Newco and IESI (the "Securityholders' Agreement") and the Transaction Agreement. Accordingly, the holder of the Class A Unit will be entitled to cast 11,774,282 votes on all matters presented to the Voting Unitholders at the Meeting, subject to such restrictions with respect to the designation and election of Trustees, based on the number of Units issuable to the Retained Interest Holders as at March 16, 2006, the record date for the Meeting.

Holders of Units (the "Unitholders") will be entitled to cast one vote for each Unit held of record as at March 16, 2005, the record date for the Meeting, on any matters presented to the Voting Unitholders at the Meeting.

Governance Arrangements

The constating documents of the Fund and BFI Canada Newco, as well as the Securityholders' Agreement, set out the rules with respect to the governance of the Fund and BFI Canada Newco and establish the respective rights of their securityholders as to board representation, approval rights in respect of certain transactions, exchange rights and related matters (the "Governance Arrangements").

Pursuant to such constating documents and the Securityholders' Agreement, the Class A Unit entitles the holder to exercise voting and other rights as a unitholder of the Fund as though the holder held the number of Units that would be owned by the Retained Interest Holders assuming the exercise in full of the rights granted by the Fund to the Retained Interest Holders.

The Governance Arrangements provide for the composition of the Board of Trustees and the board of directors of BFI Canada Newco, and create obligations for the parties to nominate and/or vote for the election of certain representatives to those boards. The Governance Arrangements also prescribe the establishment of specified committees of those boards and their respective mandates, as well as the composition of those committees.

The Governance Arrangements initially provide for a seven-member Board of Trustees and a seven-member board of directors of BFI Canada Newco composed of the same individuals. The number of members of such boards may not be changed so long as the Retained Interest Holders own at least 10% of the then-outstanding Units (calculated on a fully-diluted basis), including Units that may be acquired upon exercise of the exchange rights associated with the Participating Preferred Shares. Following the completion of the Transaction, the members of the Fund's Board of Trustees were Keith A. Carrigan, Daniel M. Dickinson, Charles F. Flood, James J. Forese, Daniel R. Milliard, T. Iain Ronald and Joseph H. Wright, who will hold office until the completion of the Meeting.

The Retained Interest Holders' entitlement to designate members of the boards of the Fund and BFI Canada Newco depends on the number of Units owned by the Retained Interest Holders, including Units that may be acquired upon exercise of the exchange rights associated with the Participating Preferred Shares. Of the seven members of each of those boards, the number of members that may be designated by the Retained Interest Holders will be based on the following table:

<u>Ownership Interest</u>	<u>Number of Members</u>
20% or greater	2
Between 10% and 20%	1
Less than 10%	0

As of March 16, 2006, the Retained Interest Holders have approximately an 18% ownership interest and are entitled to designate one member of the Board of Trustees and one member of the board of directors of BFI Canada Newco.

As of the date of the Meeting, the composition of the Board of Trustees shall be determined as follows:

- one member of the Board of Trustees will be designated by the Retained Interest Holders (through the holder of the Class A Unit); and
- the other six members of the Board of Trustees will be elected by the Unitholders, with the Governance and Nominating Committee of the Fund's Board of Trustees proposing nominees to be elected.

The member of the Board of Trustees who is designated by the Retained Interest Holders, through the holder of the Class A Unit, will be appointed as a Trustee in accordance with the Second Amended and Restated Declaration of Trust and will not be elected or subject to removal by Unitholders. The remaining members of the Board of Trustees will be elected by the Unitholders, and all votes attaching to the Class A Unit and any Units held by the Retained Interest Holders will be deemed to be voted in favour of the Trustees nominated for election by the Fund's Governance and Nominating Committee.

The Retained Interest Holders' rights to board representation will be determined annually in conjunction with the preparation of such proxy solicitation materials, commencing with this Meeting, and will remain effective until the next following annual general meeting of Voting Unitholders notwithstanding any intervening change in its direct or indirect ownership interest (calculated as described above) in the relevant entities. To the extent that the Retained Interest Holders are no longer entitled to designate a member of the boards of the Fund and BFI Canada Newco, the number of members that will be elected by the Unitholders or shareholders, as applicable, at the next annual meeting of the relevant entity will increase correspondingly.

To the knowledge of the Trustees, no person or company other than IESI Corporation and TC Carting III, L.L.C. beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the outstanding Units.

MATTERS TO BE CONSIDERED AT THE MEETING

Financial Statements

The consolidated financial statements of the Fund for the period ended December 31, 2005, together with the auditors' report thereon, are contained in the 2005 Annual Report, which is available on SEDAR at www.sedar.com. The financial statements and auditors' report will be submitted to the Meeting, and receipt thereof at the Meeting will not constitute approval or disapproval of any matter referred to therein.

Appointment of Auditor

It is proposed that the firm of Deloitte & Touche LLP, Chartered Accountants, be re-appointed as auditors of the Fund, to hold office until the next annual meeting of the Voting Unitholders or until their successor is appointed, and that the Trustees be authorized to fix the remuneration of the auditors. Deloitte & Touche LLP have been the auditors of the Fund since its inception in 2002.

Proxies received in favour of management's nominees will be voted **FOR** the appointment of Deloitte & Touche LLP, Chartered Accountants, as auditors of the Fund and the authorization of the Trustees to fix the remuneration of the auditors, unless the Voting Unitholder has specified in the proxy that such Voting Unitholder's Trust Units are to be withheld from voting in respect thereof.

Deloitte & Touche LLP billed the Fund and its subsidiaries \$1,069,581 and \$836,335 for 2005 and 2004, respectively, for audit services (including, for 2004, matters relating to financial information in the prospectus of the Fund for its subscription receipt offering), \$108,080 and \$301,252 for 2005 and 2004, respectively, for audit-related services (including accounting consultations and translation services) and \$275,040 and \$1,100,166 for 2005 and 2004, respectively, for tax compliance, tax advice and tax planning services (including, for 2004, matters relating to the Fund's subscription receipt offering and tax planning on certain transactions).

Appointment of Trustees of the Fund and Election of Nominees of the Fund as Directors of the Company

As described above under "— Governance Arrangements", the Governance Arrangements provide for a seven-member Board of Trustees and a seven-member board of directors of BFI Canada Newco composed of the same individuals. Mr. Daniel M. Dickinson, the member of the Board of Trustees who is designated by the Retained Interest Holders, through the holder of the Class A Unit, will be appointed as a Trustee in accordance with the Second Amended and Restated Declaration of Trust and will not be elected or subject to removal by Unitholders. The remaining members of the Board of Trustees will be elected by the Voting Unitholders, with all Class A Unit holder votes deemed to be cast in favor of the nominees named below.

Proxies received in favour of management's nominees will be voted **FOR** the appointment of the nominees named below as Trustees of the Fund and **FOR** the election of the nominees named below as nominees of the Fund to serve as directors of the Company, unless the Unitholder has, in either case, specified in the proxy that such Unitholder's Units are to be withheld from voting in respect thereof. The Trustees have no reason to believe that any of the nominees will be unable to serve as a Trustee of the Fund or as a director of the Company but, if a nominee is for any reason unavailable to serve as such, proxies received in favour of management's nominees will be voted in favour of the remaining nominees and may be voted for a substitute nominee unless the Unitholder has specified in the proxy that such Voting Unitholder's Trust Units are to be withheld from voting in respect of the appointment of Trustees or the election of nominees of the Fund to serve as directors of the Company, as the case may be.

Each Trustee elected will hold office until the next annual meeting or until he ceases to be a Trustee in accordance with the Second Amended and Restated Declaration of Trust. The common shares of the Company held by the Fund will be voted to cause the election of the nominees appointed by the Class A Unit holder and the nominees elected by a vote of the Voting Unitholders as directors of the Company. Each director elected will hold office until the next annual meeting or until his successor is elected or appointed.

The following table sets forth the names of and certain additional information for the persons proposed to be nominated for appointment as Trustees and for election as nominees to the Fund to serve as directors of the Company:

<u>Name and Municipality of Residence</u>	<u>Major Positions with the Fund, the Company and Significant Affiliates</u>	<u>Principal Occupation</u>	<u>Ownership or Control Over Trust Units as at March 17, 2006</u>
Keith A. Carrigan Caledon, Ontario, Canada	Trustee and director since 2002 Member of: • the Environmental, Health and Safety Committee of BFI Canada Newco	Trustee, Vice-Chairman of the Fund's Board of Trustees and Chief Executive Officer, BFI Canada Newco	230,191
Daniel M. Dickinson Northfield, Illinois, U.S.	Trustee and director since 2005 Independent Member of: • the Governance and Nominating Committee of the Fund; • the Compensation Committee of BFI Canada Newco; and • the Environmental, Health and Safety Committee of BFI Canada Newco	Managing Partner, Thayer Capital Partners	0
Charles F. Flood Fort Worth, Texas, U.S.	Trustee and director since 2005 Member of: • the Environmental, Health and Safety Committee of BFI Canada Newco (Chair)	Trustee, President, BFI Canada Newco and President and Chief Executive Officer, IESI Corporation	273,991 ⁽¹⁾
James J. Forese Naples, Florida, U.S.	Trustee since 2005 Independent Member of: • the Audit Committees of the Fund and BFI Canada Newco (Chair)	Operating Partner and Chief Operating Officer, Thayer Capital Partners	0
Daniel R. Milliard Rosseau, Ontario, Canada	Trustee since 2002 Independent Member of: • the Audit Committees of the Fund and BFI Canada Newco; • the Governance and Nominating Committee of the Fund (Chair); and • the Compensation Committee of BFI Canada Newco (Chair)	Corporate Director	1,000

<u>Name and Municipality of Residence</u>	<u>Major Positions with the Fund, the Company and Significant Affiliates</u>	<u>Principal Occupation</u>	<u>Ownership or Control Over Trust Units as at March 17, 2006</u>
T. Iain Ronald Toronto, Ontario, Canada	Trustee and director since 2002 Independent Member of: <ul style="list-style-type: none"> • the Environmental, Health and Safety Committee of BFI Canada Newco; • the Audit Committees of the Fund and BFI Canada Newco; • the Governance and Nominating Committee of the Fund; and • the Compensation Committee of BFI Canada Newco 	Corporate Director	23,554
Joseph H. Wright Toronto, Ontario, Canada	Trustee since 2002 and Non-Executive Chairman of the Fund's Board of Trustees Independent Member of: <ul style="list-style-type: none"> • the Audit Committees of the Fund and BFI Canada Newco; • the Governance and Nominating Committee of the Fund; and • the Compensation Committee of BFI Canada Newco 	Corporate Director	17,399

(1) Includes Units issuable upon the conversion of Participating Preferred Shares owned or controlled by Mr. Flood.

Each of the above-noted nominees has been engaged in his present principal occupation for more than five years except as follows:

Mr. Daniel M. Dickinson has been a member of IESI Corporation's board of directors since May 2001 and IESI Corporation's audit committee and compensation committee since January 2004. Mr. Dickinson has been employed since 2001 by, and is currently a Managing Partner of, Thayer Capital Partners, a private investment firm located in Washington, D.C. consisting of numerous legal entities associated with the management of three private equity investment partnerships. Prior to Thayer Capital Partners, Mr. Dickinson spent more than 14 years in mergers & acquisitions, most recently as Co-Head of Global Mergers & Acquisitions at Merrill Lynch. His roles at Merrill Lynch also included leading the European Mergers & Acquisitions Group and, prior to that, the Global Manufacturing and Services Mergers & Acquisitions effort.

Mr. Charles F. Flood is one of the founders of IESI Corporation and has been IESI Corporation's Chief Executive Officer, President and a member of IESI Corporation's board of directors since IESI Corporation's inception. From 1989 to 1995, he was employed with Waste Management, as Group President from 1993 to 1995 in the northeastern United States and Canada, Regional Vice President from 1991 to 1993 in the south central United States and as Vice President of Operations in Texas from 1989 to 1991. Mr. Flood was President of Laidlaw Waste Services' U.S. solid waste operations from 1986 to 1987. Mr. Flood was President of the

United States and Canada solid waste operations for GSX Corporation from 1984 to 1986. Mr. Flood was the Region Vice President of the Southern Region of SCA Services, Inc., from 1976 to 1984.

Mr. James J. Forese has been a member of IESI Corporation's board of directors since October 2003. Mr. Forese joined Thayer Capital Partners in July 2003 and currently serves as an Operating Partner and Chief Operating Officer. From 1996 to 2003, Mr. Forese worked for IKON Office Solutions, most recently as the Chairman and Chief Executive Officer. Prior to joining IKON, Mr. Forese spent 36 years with IBM Corporation, most recently as Chairman of IBM Credit Corporation. In addition, Mr. Forese held numerous other positions during his tenure at IBM Corporation including a senior executive with IBM World Trade Europe/Middle East/Africa and IBM World Trade Americas, President of the Office Products Division, Corporate Vice President and Controller and Corporate Vice President of Finance.

Mr. Daniel R. Milliard is currently the Chief Legal and Business Development Officer at Charles Cole Memorial Hospital. Mr. Milliard was the Interim Chief Executive Officer of Natural Convergence Inc. from December 2003 to May 2004, the Chief Executive Officer of GT Group Telecom Inc. from September 1999 to February 2003 and Vice Chairman, President and a director of Hyperion Communications (now Tel-Cove Communications Inc.) from March 1999 to August 1999. Prior to that time, Mr. Milliard held the position of President and Chief Operating Officer of Hyperion Communications from May 1992 to March 1999.

Mr. T. Iain Ronald retired in February 1995 from the position of Vice Chairman of a Canadian chartered bank. He currently serves on the board of directors of several Canadian companies, including Loblaw Companies Limited, Leon's Furniture Limited, and Strongco Inc. He is also a trustee of Allied Properties Real Estate Investment Trust. Mr. Ronald has a Bachelors Degree in Law from the University of Glasgow, an M.B.A. from Harvard Business School, is a member of The Institute of Chartered Accountants of Scotland and is a Fellow of the Institute of Chartered Accountants of Ontario.

Mr. Joseph H. Wright has been the Managing Partner of Barnagain Capital since February 2001. He was formerly Managing Partner of Crosbie & Company Inc., and prior to that he was President and Chief Executive Officer for the Canadian operations of a major foreign bank.

APPROVAL OF THE UNIT OPTION PLAN

The Voting Unitholders are being asked to consider and, if deemed advisable, pass, with or without variation, a resolution (the "Unit Option Plan Resolution"), the text of which is set out in Schedule "A" to this Circular, to approve the Fund's Unit Option Plan (the "Unit Option Plan"). Approval of the Unit Option Plan Resolution requires the affirmative vote of the holders of a majority of the Trust Units present or represented and entitled to vote at the Meeting.

The Unit Option Plan was unanimously approved by the Compensation Committee of BFI Canada Newco effective February 14, 2006, and the adoption of the Unit Option Plan was unanimously approved by the Fund's unrelated trustees and by the Board of Trustees as a whole on March 17, 2006. The Unit Option Plan is designed to reward certain eligible executive management employees with compensation opportunities that will enhance the Fund's ability to attract, retain and motivate senior employees and reward them for significant performance. The Unit Option Plan provides for the grant of options to executive management employees of the Fund and its subsidiaries at the discretion of the Board of Trustees. If approved by the Voting Unitholders, the maximum number of Units that maybe issued upon the exercise of options granted under the Unit Option Plan is 1,750,000. A general description of the principal terms of the Unit Option Plan is set forth under the heading "Compensation of Executive Officers — Unit Option Plan". On February 15, 2006, the Trustees awarded to four executive management employees, being Keith A. Carrigan, Charles F. Flood, Joseph D. Quarin and Thomas J. Cowee, Unit options each which vest equally over three years commencing on January 1, 2007 as follows: 325,000 Unit options were granted to each of Messrs. Carrigan and Flood, 225,000 Unit options were granted to Mr. Quarin and 125,000 Unit options were granted to Mr. Cowee. The options granted on February 15, 2006 shall immediately become exercisable and may be exercised in accordance with the terms of the Unit Option Plan, subject to Voting Unitholder approval, on termination of employment without cause or by reason of the participant's death or disability. The issuance of Units pursuant to the options granted on February 15, 2006 is subject to both Voting Unitholder approval at the Meeting and regulatory approval. As of the date hereof no Units have been issued under the Unit Option Plan.

There are currently 53,616,286 Units outstanding, and 11,774,282 Units are issuable upon the exchange of Participating Preferred Shares. As such, the Units reserved for issuance under the Unit Option Plan represent approximately 3.2% of the Fund's currently outstanding capital (2.7% assuming the conversion of all outstanding Participating Preferred Shares). Less than 10% of the outstanding Units of the Fund are issuable pursuant to Unit compensation arrangements, including the Unit Option Plan. In addition, the number of securities issuable to insiders, at any time, under all security based arrangements, including the Unit Option Plan, cannot exceed 10% of Fund's issued and outstanding securities; and the number of securities issued to insiders, within any one-year period, under all of the Fund's security based compensation arrangements, including the Unit Option Plan, cannot exceed 10% of the Fund's issued and outstanding securities.

The Board of Trustees unanimously recommends that Voting Unitholders vote **FOR** the Unit Option Plan Resolution. In the absence of contrary instructions, the persons in the accompanying form of proxy intend to vote any Trust Units represented by such proxy **FOR** the Unit Option Plan Resolution set forth in Schedule "A" attached to this Circular. Abstentions will be counted toward the tabulation of the votes cast **FOR** the Unit Option Plan. The Unit Option Plan Resolution requires the approval of the majority of Trust Units that are voted at the meeting.

COMPENSATION OF EXECUTIVE OFFICERS

Under applicable securities legislation, the Fund is required to disclose certain financial and other information relating to the compensation of the chief executive officer, the chief financial officer and the next three most highly compensated executive officers (other than the chief executive officer and the chief financial officer) of the Fund's subsidiary entities. During 2005, the executive officers of BFI Canada Newco were responsible for the management of BFI Canada Holdings and IESI.

The tables and descriptive information set forth below present information about compensation of (i) BFI Canada Newco's Chief Executive Officer, (ii) BFI Canada Newco's Chief Financial Officer, and (iii) the three other most highly compensated executive officers of BFI Canada Newco, or subsidiary entities, whose salary and bonus earned during the financial year ended December 31, 2005 exceeded \$150,000 (the "Named Executive Officers", determined in accordance with applicable rules). Reference is made to the "Report on Executive Compensation by the BFI Canada Newco Compensation Committee" on pages 15 to 16 of this Circular. Tables with respect to defined benefit or actuarial plan compensation have been omitted as no relevant compensation was earned by or awarded or paid to any of the Named Executive Officers during the year ended December 31, 2005.

Summary Compensation Table

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation			All Other Compensation (\$) ⁽⁴⁾
		Salary (\$)	Bonus (\$) ⁽¹⁾	Other Annual Compensation (\$) ⁽²⁾	Awards		Payout	
					Securities Under Options/SARS Granted (#)	Units Subject to Resale Restrictions (\$)	LTIP Payouts (\$) ⁽³⁾	
Keith A. Carrigan , ⁽⁸⁾ Vice Chairman and Chief Executive Officer, BFI Canada Newco	2005	425,000	425,000	22,202	—	—	356,935	265,174
	2004	411,743	205,871	—	—	—	97,690	9,095
	2003	402,917	199,875	—	—	—	Nil ⁽⁵⁾	8,031
Charles F. Flood , President, BFI Canada Newco	2005	436,537 ⁽⁶⁾	348,941 ⁽⁶⁾	—	0	—	\$86,464	8,260,683 ⁽⁶⁾⁽¹⁰⁾
	2004	455,150 ⁽⁶⁾	195,225 ⁽⁶⁾	—	57,266 ⁽⁶⁾⁽⁷⁾	—	—	12,858 ⁽⁶⁾
Joseph D. Quarin , ⁽⁹⁾ Executive Vice President, BFI Canada Newco	2005	288,986	288,750	15,244	—	—	164,957	107,266
	2004	199,563	79,825	—	—	—	47,348	8,411
	2003	196,917	77,500	—	—	—	34,981	7,362
Thomas J. Cowee , Chief Financial Officer, BFI Canada Newco	2005	308,408 ⁽⁶⁾	121,160 ⁽⁶⁾	—	0	—	49,468	4,183,526 ⁽⁶⁾⁽¹⁰⁾
	2004	312,210 ⁽⁶⁾	130,150 ⁽⁶⁾	—	34,490 ⁽⁶⁾⁽⁷⁾	—	—	7,940 ⁽⁶⁾
Thomas L. Brown , Senior Vice President, Chief Operating Officer, IESI Corporation	2005	280,631 ⁽⁶⁾	92,661 ⁽⁶⁾	—	0	—	27,792	1,920,478 ⁽⁶⁾⁽¹⁰⁾
	2004	292,582 ⁽⁶⁾	97,613 ⁽⁶⁾	—	1,952 ⁽⁶⁾⁽⁷⁾	—	—	7,774 ⁽⁶⁾

- (1) The Company bonus plan entitled the Named Executive Officers to annual cash bonuses of between 40% and 100% of their base salary based on BFI Canada Newco's success in achieving financial objectives and on their individual success in accomplishing the personal goals and expectations set out in their objectives for the year.
- (2) Includes distributions received on Units held in the Long-Term Incentive Plan (the "LTIP").
- (3) The LTIP was established in 2003 for Canadian-resident employees and in 2005 for U.S.-resident employees. BFI Canada Newco or a subsidiary contributes to the trust established under the LTIP the respective amounts set out in the table for the benefit of the Named Executive Officers. The funds in relation to the 2005 LTIP payouts were used by the trust to purchase Units in the open market in March 2006. LTIP Payouts for Mr. Carrigan and Mr. Quarin include a one time bonus, of \$255,000 and \$97,500 respectively, in relation to Units awarded upon the completion of the Transaction.
- (4) For Mr. Carrigan and Mr. Quarin, amounts in this column include contributions made in respect of BFI Canada Holdings' deferred profit sharing plan (the "DPSP"), premiums paid for life insurance and one time bonus amounts paid upon the completion of the Transaction. Both Mr. Carrigan and Mr. Quarin are also eligible to receive DPSP contributions, and each year BFI Canada makes contributions on their behalf equal to 3% of their earnings under the plan up to the maximum allowable amount under the *Income Tax Act* (Canada). For Mr. Flood, Mr. Cowee and Mr. Brown, amounts in this column include a one time bonus amount paid upon the completion of the Transaction, matching contributions made under the IESI Corporation 401(k) Plan and life insurance premiums. The following matching contributions were made under the IESI Corporation 401(k) Plan during 2005: Mr. Flood, \$2,500; Mr. Cowee, \$5,513; and Mr. Brown, \$4,729. The following life insurance premiums were paid during 2005: Mr. Flood, \$2,333; Mr. Cowee, \$800; and Mr. Brown, \$1,096.
- (5) Mr. Carrigan elected to waive his entitlement under the LTIP in respect of 2003 and have it allocated to the other participants in the LTIP.
- (6) Compensation values have been converted to Canadian currency using the applicable Bank of Canada rates. For 2005, amounts were converted using the Bank of Canada 2005 average exchange rate of US\$1.00 = \$1.2116; and for 2004, amounts were converted using the Bank of Canada 2004 average exchange rate of US\$1.00 = \$1.3015.
- (7) Includes options granted on January 1, 2004 under the IESI Corporation 1999 Stock Option Plan.
- (8) BFI Canada Holdings entered into an employment agreement with Keith A. Carrigan relating to his employment for a period of three years from April 25, 2002. The agreement has since expired. In 2005, Mr. Carrigan received an annual salary of \$425,000, a monthly car allowance of \$1,500 and may be eligible to receive a bonus of up to 100% of base salary.
- (9) See "Material Terms and Conditions of Employment Agreements" for a description of the retention bonus arrangement for Mr. Quarin effective September 14, 2005.
- (10) Includes the total value of the bonus amounts paid to Mr. Flood, Mr. Cowee and Mr. Brown upon the completion of the Transaction as described in "Material Terms and Conditions of Employment Agreements", below. These amounts were paid by the Retained Interest Holders pursuant to the terms of the Transaction. The additional amounts to be paid to Mr. Flood and Mr. Cowee in 2006 and subsequent years on each of the dates that is 12 months, 18 months and 24 months following January 21, 2005, as described in "Material Terms and Conditions of Employment Agreements", will be paid by IESI pursuant to the terms of the Transaction. See "Material Terms and Conditions of Employment Agreements".

Bonus Plan

In fiscal 2005, the Named Executive Officers participated in a bonus plan (the “Bonus Plan”) which entitled senior officers to annual cash bonuses based on BFI Canada Newco’s success in achieving financial objectives relating to budgeted earnings before interest, taxes, depreciation and amortization (“EBITDA”) and on their individual success in accomplishing the personal goals and expectations set out in their objectives for the year (see “Material Terms and Conditions of Employment Agreements”). The Compensation Committee of BFI Canada Newco approved Mr. Carrigan’s and Mr. Flood’s annual objectives for 2005 and reviewed their performance during 2005, subject to the approval of the board of directors of BFI Canada Newco. The annual objectives of the other Named Executives for 2005 were set by the Vice Chairman and Chief Executive Officer, who also reviewed the performance of each of the other Named Executives during 2005, subject to the approval of the Compensation Committee. The Compensation Committee also approved the fiscal 2005 annual plan targets for the Bonus Plan. The Bonus Plan will remain substantially similar for fiscal 2006.

Long-Term Incentive Plan

The Long-Term Incentive Plan (the “LTIP”) is administered by the Compensation Committee, which has the power, among other things, to determine those directors, officers and employees of BFI Canada Newco and its subsidiaries who will participate in the LTIP (the “Participants”). The purpose of the LTIP is to establish a performance-based incentive plan for directors, officers and employees that will align the interests of senior management with the interests of the Voting Unitholders.

Pursuant to the LTIP, for the year ended December 31, 2005, each Participant’s employer contributed funds, determined on the basis of BFI Canada Newco’s financial performance, to a trust established for the purpose of holding Units pursuant to the terms of the LTIP (a “Trust”). Separate Trusts exist for Canadian-resident employees and U.S.-resident employees. The Trusts’ purchase Units in the market with such funds and hold such Units in trust for each Participant. Distributions on both vested and non-vested Units are distributed by the Trusts to the Participants in the year of receipt.

Units allocated to a Participant after January 1, 2006 pursuant to the LTIP vest over three years as follows: as to one-third on the day such Units are allocated to a Participant; one-third on December 31 of the year such Units are allocated to the Participant; and the balance on December 31 of the year following the year such Units are allocated to the Participant. Upon the termination of employment of a Participant, without cause, or a Participant’s death, disability or retirement, all unvested Units automatically vest. Upon voluntary termination of employment (resignation) or termination with cause, any Units which have not vested will be forfeited, subject to the discretion of the trustee of the Trust (the “LTIP Trustee”), with the approval of the Compensation Committee. Upon someone ceasing to be a Participant in the LTIP, the LTIP Trustee will at the request of a Participant, or within one year of that date, sell such number of vested Units held on behalf of the Participant as may be necessary to fund the payment of any tax deduction or other charges the LTIP Trustee is required to deduct, withhold and remit under applicable law or for any other cost or charges incurred by the LTIP Trustee, and will distribute to the Participant the remaining vested Units held on the Participant’s behalf. In 2005, the amount allocated to each Participant for the purchase of Units on the Participant’s behalf was approved by the Compensation Committee.

Contributions to the LTIP relating to performance in fiscal 2005 are based upon the excess, if any, of EBITDA earned in a year over the aggregate of distributions declared in the year, interest on long-term debt, current income taxes, amortization of capitalized landfill asset closure and post-closure costs (net of revisions to estimated cash flows), maintenance capital expenditures, management transaction bonuses, the effect of foreign currency hedges to support Canadian dollar distributions, and amortization of gain on settlement of bond forward contracts, incurred in the year. A portion of that excess is available for contribution to the LTIP. For fiscal 2005 and prior years, the contribution to the LTIP is computed as being 10% of the first \$3,000,000 of the excess, 15% of the next \$3,000,000 of the excess and 18% of any additional excess, and the amount contributed to the LTIP in any year cannot exceed 15% of the total excess described above. For fiscal 2005 the contribution to the LTIP was approximately \$2,576,995. These funds were used by the Trusts to acquire Units on the open market.

Beginning in fiscal 2006, the contribution to the LTIP will be computed as 2.25% of free cash flow available for distribution, subject to meeting certain performance thresholds. Individual Participants in the LTIP must exceed 95% of their respective budgeted EBITDA targets for the year and their respective prior year's actual EBITDA to be eligible in the year for an award pursuant to the LTIP. The Compensation Committee reserves the right to waive this requirement if circumstances warrant. Free cash flow available for distribution is a term which does not have a standardized meaning prescribed by GAAP and is therefore unlikely to be comparable to similar measures used by other issuers. Please refer to the Management's Discussion and Analysis of the Fund for a detailed description of the term "free cash flow available for distribution", a non-GAAP measure which indicates the amount available for distribution to holders of Units and Participating Preferred Shares.

All or part of bonuses payable to employees who participated in the Bonus Plan may, at the option of each employee, be contributed to the Trust to be dealt with under the terms of the LTIP. In addition, commencing in 2004, all or part of directors' fees payable to the directors of BFI Canada Holdings or BFI Canada Newco may, at the option of each director, be contributed to a Trust to be invested in Units under the terms of the LTIP.

Unit Option Plan

Effective February 14, 2006, the Compensation Committee adopted the Unit Option Plan, subject to Voting Unitholder and regulatory approval. The Unit Option Plan is designed to reward certain eligible executive management employees with compensation opportunities that will enhance the Fund's ability to attract, retain and motivate senior employees and reward them for significant performance. Options may be granted under the Fund's Unit Option Plan to executive management employees of the Fund and its subsidiaries as the Board of Trustees may from time to time determine.

The number of options that may be granted to any one participant or to insiders under the Unit Option Plan is restricted as follows: the number of securities issuable to insiders, at any time, under all security based arrangements, including the Unit Option Plan, cannot exceed 10% of the Fund's issued and outstanding securities; and the number of securities issued to insiders, within any one-year period, under all of the Fund's security based compensation arrangements, including the Unit Option Plan, cannot exceed 10% of the Fund's issued and outstanding securities. The Unit Option Plan includes Unit appreciation rights which may be granted in connection with the grant of a Unit option. Unit appreciation rights entitle the participant to elect to receive a payment equal to the difference between fair market value of a Unit and the exercise price of the Unit option in connection with which it was granted.

Under the Unit Option Plan, options granted have a term of 10 years and vest at the rate of 25% per year, commencing on the anniversary of the date of the grant, or otherwise determined by the Compensation Committee. The exercise price of an option under the Plan is fixed by the Board of Trustees at the time of grant, but may not be lower than the volume weighted average trading price of the Units on the TSX for the five trading days immediately preceding the date of grant (calculated by dividing the total value by the total volume of Units traded for such period). The options are non-assignable.

If a participant ceases to be eligible under the Unit Option Plan due to resignation of employment, all options held by the participant cease to vest and those options which are then exercisable may be exercised for the following 30 days. If a participant ceases to be eligible under the Unit Option Plan due to termination of employment or services without cause, all options held by the participant cease to vest and those options which are then exercisable may be exercised for the following 90 days. If a participant ceases to be eligible under the Unit Option Plan due to termination of employment for cause, all options held by the participant cease to vest and all options which are then exercisable cease to be exercisable. If a participant's employment ceases by reason of disability or death, all options held by the participant cease to vest and those options which are then exercisable may be exercised for the following 12 months.

The Board of Trustees, upon the advice of the Compensation Committee and subject to any regulatory approval, has the power to amend, suspend or terminate the Unit Option Plan at any time in accordance with applicable legislation and subject to the required approvals, if any, from the Voting Unitholders, from regulatory authorities or otherwise; provided, however, that no such amendment, suspension or termination may materially adversely affect any options, or any rights pursuant thereto, granted previously to any participant without the consent of that participant. The Compensation Committee may amend or modify any outstanding option in any

manner to the extent that the committee would have had the authority to initially grant the award as so modified or amended including, without limitation, to change the date or dates as of which, or the price at which, an option becomes exercisable, subject to obtaining the required approvals, if any, of the Voting Unitholders, regulatory authorities or otherwise. In accordance with TSX requirements, Voting Unitholder approval of amendments to the Unit Option Plan is generally required in the case of fundamental changes, such as an increase in the number of Units issuable under the plan or any change to the eligible participants which would have the potential of broadening or increasing insider participation. However, Voting Unitholder approval would generally not be required in the case of (a) amendments of a “housekeeping” nature, (b) a change to the vesting provisions of options or the plan, (c) a change to the termination provisions of options or the plan which does not entail an extension beyond the original expiry date, or (d) the addition of a cashless exercise feature, payable in cash or Units, which provides for a full deduction of the number of underlying Units from the Unit Option Plan reserve.

**Long-Term Incentive Plans —
Awards In Most Recently Completed Financial Year**

Name	Units or Other Rights (#) ⁽¹⁾	Performance or Other Period Until Maturation or Payout	Estimated Future Payouts Under Non-Securities-Price-Based Plans ⁽²⁾		
			Threshold (\$ or #)	Target (\$ or #)	Maximum (\$)
Keith A. Carrigan, Vice Chairman and Chief Executive Officer, BFI Canada Newco	\$203,869	Vesting over time ⁽³⁾	—	—	—
Charles F. Flood, President, BFI Canada Newco	\$172,929	Vesting over time ⁽³⁾	—	—	—
Joseph D. Quarin, Executive Vice President, BFI Canada Newco	\$134,913	Vesting over time ⁽³⁾	—	—	—
Thomas J. Cowee, Chief Financial Officer, BFI Canada Newco	\$98,937	Vesting over time ⁽³⁾	—	—	—
Thomas L. Brown, Senior Vice President, Chief Operating Officer, IESI Corporation	\$55,584	Vesting over time ⁽³⁾	—	—	—

- (1) The LTIP was established in 2003 for Canadian-resident employees and in 2005 for U.S.-resident employees. BFI Canada Newco or a subsidiary contributes to the Trust established under the LTIP the respective amounts set out in the table for the benefit of the Named Executive Officers. The funds are used by the Trust to purchase Units in the market. The Trust purchased the Units awarded in March 2006 on the open market.
- (2) The LTIP is a securities price-based plan. The Fund and its subsidiary entities did not have any unit option plans during the year ended December 31, 2005.
- (3) Please see “Compensation of Executive Officers — Long-Term Incentive Plan” for a description of the LTIP vesting schedule.

MATERIAL TERMS AND CONDITIONS OF EMPLOYMENT AGREEMENTS

The Fund’s success depends on the leadership, dedication and experience of its senior management group. Upon the completion of the Transaction on January 21, 2005, BFI Canada Newco and IESI entered into new or amended employment agreements with certain senior officers. The agreements contain, among other things, confidentiality, non-solicitation and non-competition covenants that will apply during the term of each officer’s employment and for a specific period of time after termination of their employment.

Mr. Quarin entered into an employment agreement with BFI Canada Newco effective January 21, 2005, which provided that he would serve as Chief Financial Officer of BFI Canada Newco. Effective September 14, 2005, the Board of Trustees amended Mr. Quarin’s title and position to that of Executive Vice President of BFI Canada Newco and Chief Operating Officer of BFI Canada Holdings. Pursuant to a revised compensation

package, approved by the Board of Trustees on September 14, 2005, Mr. Quarin will receive an annual salary of \$375,000 and participate in the LTIP, be provided a monthly car allowance of \$1,500 and a yearly allowance of \$4,000 for club dues, and may be eligible to receive a bonus of up to 100% of base salary. In addition, effective September 14, 2005, Mr. Quarin was granted \$2,000,000 in Units, which will vest as to 25% on February 1, 2006, 25% on February 1, 2007, and 50% on February 1, 2008, provided that Mr. Quarin remains in the employment of BFI Canada Newco. Mr. Quarin's employment may be terminated for cause or by Mr. Quarin. If terminated without cause, Mr. Quarin will be entitled to payment of an amount equal to his base salary and an amount in respect of bonus and the LTIP entitlement for the lesser of (i) 24 months (increased to 36 months after five years) following termination, and (ii) the number of months to Mr. Quarin's 65th birthday, to be paid in equal monthly installments. If Mr. Quarin's employment is terminated within six months preceding or 24 months following a change of control, the above severance payment will be paid as a lump sum and all unvested incentive compensation and Unit-based compensation shall vest immediately.

Mr. Flood has entered into an employment agreement with IESI and BFI Canada Newco effective January 21, 2005, which provided that he would serve as Executive Vice President of BFI Canada Newco, and President and Chief Executive Officer of IESI Corporation. Effective January 1, 2006, the Governance and Nominating Committee amended Mr. Flood's title and position with BFI Canada Newco to that of President. Mr. Flood's employment agreement provides that he will receive an annual salary of US\$360,500 and participate in the LTIP. It also provides that Mr. Flood may be eligible to receive an annual bonus of up to 100% of base salary if certain performance targets are met (or greater than 100% in the case of exceptional performance). As approved by the shareholders of IESI Corporation, Mr. Flood is entitled to receive a bonus consisting of (i) US\$700,000 payable upon completion of the Transaction on January 21, 2005, (ii) US\$233,000 payable on each of the dates that is 12 months, 18 months and 24 months following January 21, 2005 and (iii) that number of consideration units, being Units distributed to certain employees of IESI Corporation as management retention bonuses (the "Consideration Units"), having a value equal to the intrinsic value of unvested options that were forfeited by Mr. Flood, which Consideration Units (along with other Consideration Units granted to Mr. Flood) were issued upon completion of the Transaction on January 21, 2005 and are subject to transfer restrictions. The agreement may be terminated by IESI Corporation for cause or by Mr. Flood. The agreement also provides that if his employment is terminated without cause, Mr. Flood will be entitled to payment of an amount equal to his base salary and an amount in respect of bonus and the LTIP entitlement for the lesser of (i) 24 months (increased to 36 months after five years) following termination, and (ii) the number of months to Mr. Flood's 65th birthday, to be paid in equal monthly installments. If Mr. Flood's employment is terminated within six months preceding or 24 months following a change of control, the above severance payments will be paid as a lump sum and all unvested incentive compensation and Unit-based compensation shall vest immediately.

Mr. Cowee has entered into an employment agreement with IESI and BFI Canada Newco effective January 21, 2005, which provided that he would serve as Vice President, Integration of BFI Canada Newco, and Senior Vice President and Chief Financial Officer of IESI Corporation. Effective September 14, 2005, Mr. Cowee's title and position was amended to Chief Financial Officer of BFI Canada Newco. Effective October 1, 2005 Mr. Cowee's annual salary was increased to US\$275,000. Mr. Cowee's employment agreement provides that Mr. Cowee will receive an annual salary and participate in the LTIP. It also provides that Mr. Cowee may be eligible to receive an annual bonus of up to 100% of base salary if certain performance targets are met (or greater than 100% in the case of exceptional performance). As approved by the shareholders of IESI Corporation, Mr. Cowee is entitled to receive a bonus consisting of (i) US\$480,000 payable upon completion of the Transaction on January 21, 2005, (ii) US\$160,000 payable on each of the dates that is 12 months, 18 months and 24 months following January 21, 2005 and (iii) that number of Consideration Units, having a value equal to the intrinsic value of unvested options that were forfeited by Mr. Cowee, which Consideration Units (along with other Consideration Units granted to Mr. Cowee) were issued upon completion of the Transaction on January 21, 2005 and are subject to transfer restrictions. The agreement may be terminated by IESI Corporation for cause or by Mr. Cowee. The agreement also provides that if his employment is terminated without cause, Mr. Cowee will be entitled to payment of an amount equal to his base salary and an amount in respect of bonus and the LTIP entitlement for the lesser of (i) 24 months (increased to 36 months after five years) following termination, and (ii) the number of months to Mr. Cowee's 65th birthday, to be paid in equal monthly installments. If Mr. Cowee's employment is terminated within six months preceding or 24 months

following a change of control, the above severance payment will be paid as a lump sum and all unvested incentive compensation and Unit-based compensation shall vest immediately.

Mr. Brown has entered into an employment agreement with IESI Corporation effective January 21, 2005, which provided that he would serve as Senior Vice President and Chief Operating Officer of IESI Corporation. The agreement provides that Mr. Brown will receive an annual salary of US\$231,750 and participate in the LTIP. It also provides that Mr. Brown may be eligible to receive an annual bonus of up to 33% of base salary if certain performance targets are met (or greater than 33% in the case of exceptional performance). The agreement may be terminated by IESI Corporation for cause or by Mr. Brown. As approved by the shareholders of IESI Corporation, Mr. Brown was entitled to receive a bonus payable upon completion of the Transaction on January 21, 2005 consisting of (i) US\$600,000 payable in Consideration Units and (ii) that number of Consideration Units having a value equal to the intrinsic value of unvested options that were forfeited by Mr. Brown, which Consideration Units were issued on January 21, 2005 and are subject to transfer restrictions. The agreement may be terminated by IESI Corporation for cause or by Mr. Brown. The agreement also provides that if his employment is terminated without cause, Mr. Brown will be entitled to payment of an amount equal to his base salary and an amount in respect of bonus and the LTIP entitlement for the lesser of (i) 24 months following termination, and (ii) the number of months to Mr. Brown's 65th birthday, to be paid in equal monthly installments. If Mr. Brown's employment is terminated within six months preceding or 24 months following a change of control, the above severance payment will be paid as a lump sum and all unvested incentive compensation and Unit-based compensation shall vest immediately.

Any modification or renewal of the employment agreements between the Fund's subsidiary entities and its executive officers will be subject to the prior review of the Compensation Committee of the board of BFI Canada Newco, which shall make a recommendation thereon to the full board of directors of BFI Canada Newco or IESI.

Composition of the Compensation Committee

During the year ended December 31, 2005 the BFI Canada Newco Compensation Committee assisted the board of directors of BFI Canada Newco in determining and administering the compensation for the senior officers of BFI Canada Newco and its subsidiaries. The following individuals served as the members of the Compensation Committee during the fiscal year ended December 31, 2005: Mr. Daniel R. Milliard (Chair), Mr. Daniel Dickinson, Mr. T. Iain Ronald and Joseph H. Wright. Mr. Millard and Mr. Ronald served for the entire fiscal year, Mr. Dickinson from February 11, 2005, and Mr. Wright from November 10, 2005.

None of the members of the Compensation Committee during 2005 was an officer, employee or former officer or employee of the Fund or BFI Canada Newco or any of their subsidiary entities or affiliates. The members of the Compensation Committee during 2005 were eligible to have their directors' fees invested under the terms of the LTIP. See "Compensation Executive Officers — Long-Term Incentive Plan".

Report on Executive Compensation by the BFI Canada Newco Compensation Committee

For 2005, the executive compensation program for senior management of the Fund and its subsidiary entities (the "Executive Compensation Program") was overseen by the Compensation Committee. The Compensation Committee was responsible for reviewing, determining and recommending to the board of directors of BFI Canada Newco for final approval the annual salary, bonus and other compensation levels of the executive officers of the Fund and its subsidiary entities.

The Compensation Committee's executive compensation philosophy was guided by its objective to obtain and retain executives critical to the success of the Fund and its subsidiary entities and the enhancement of unitholder value.

The Executive Compensation Program is composed of base salary, bonus and long-term incentive plan rewards. Compensation is set at competitive market levels, designed to attract and retain an outstanding executive team, with bonuses based on performance and long-term incentives designed to align the interests of management with the creation of unitholder value. In 2005, the annual bonus payments were based on the achievement by BFI Canada Newco of financial targets and on the achievement by the individual of personal

goals and objectives. Senior management also participates in the LTIP described under “Compensation of Executive Officers — Long-Term Incentive Plan”.

In 2005, each officer’s performance and related salary level, annual bonus target and amount of Units to be purchased under the LTIP were reviewed and approved by the Compensation Committee. The Compensation Committee engaged Mercer Human Resource Consulting in 2005 to provide market data on executive compensation pay levels including trends in long-term incentive design. Mercer Human Resource Consulting completed a competitive market pay analysis and provided alternative long-term incentive design programs for the Company’s consideration. Decisions made by the Compensation Committee are at the discretion of the Committee and may reflect factors and considerations other than the information provided by Mercer Human Resource Consulting. Executive compensation packages were benchmarked to packages for executives of similar sized Canadian public companies and the Fund’s peers in the waste management industry in the United States.

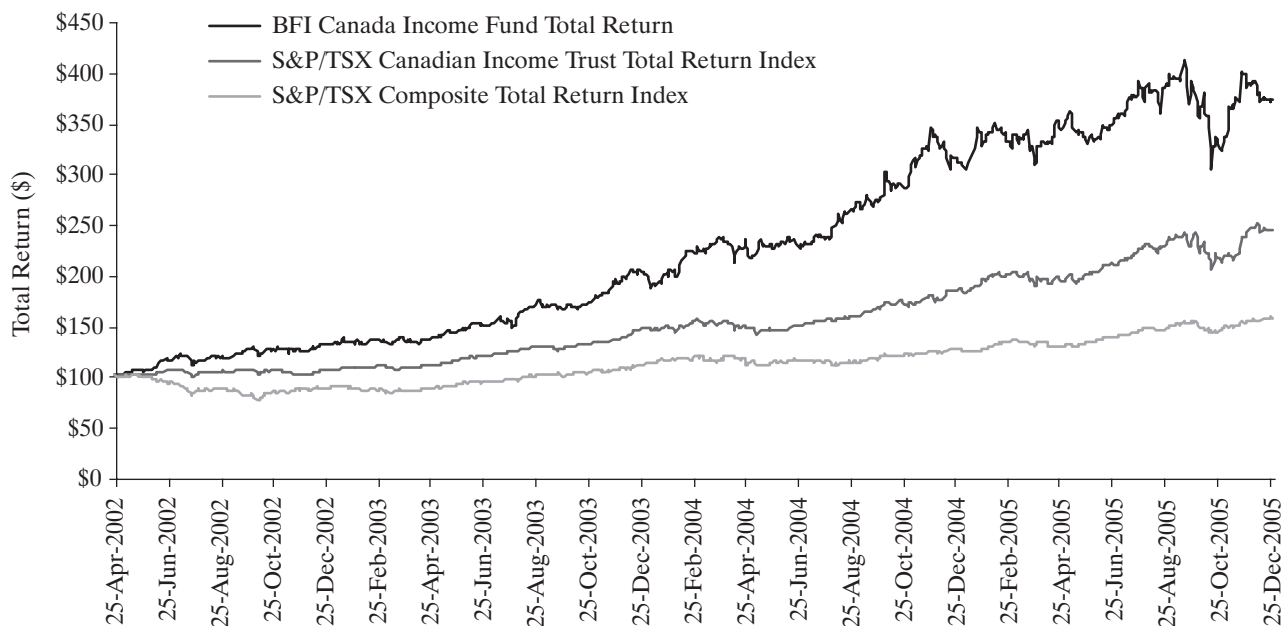
The Trustees, on the recommendation of the Compensation Committee, approved compensation matters for 2005 relating to Mr. Keith A. Carrigan, the Vice Chairman and Chief Executive Officer of BFI Canada Newco. In consideration for his services, Mr. Carrigan received a base salary and various benefits, and was eligible to participate in the Bonus Plan and the LTIP. The base salary for Mr. Carrigan for fiscal 2005 was determined, in consultation with Mercer Human Resource Consulting, based on an assessment by the board of directors of BFI Canada Newco of the total compensation package payable to chief executives of similar sized Canadian public companies and the Fund’s peers in the waste management industry in the United States.

Compensation matters relating to the senior officers for the year ended December 31, 2005 were approved by the board of directors of BFI Canada Newco on the recommendation of the Compensation Committee.

Performance Graph

The following graph compares the percentage change in the cumulative unitholder return for \$100 invested in Units with the total cumulative return of the S&P/TSX Composite Index (formerly the TSX 300 Total Return Index) for the period from April 25, 2002, the date when the Fund completed its initial public offering, until December 31, 2005. Assuming reinvestment of distributions, \$100 invested in the Fund on April 25, 2002 was worth \$372 on December 31, 2005.

Total Return⁽¹⁾ from IPO (April 25, 2002) to December 31, 2005



(1) Assumes distributions paid by the Fund are reinvested in Units. Source: Bloomberg.

COMPENSATION OF TRUSTEES OF THE FUND AND DIRECTORS OF BFI CANADA NEWCO

During the year ended December 31, 2005, each non-management Trustee or director of BFI Canada Newco (other than the Chairman) received an annual retainer of \$35,000. The Chairman of the Board of Trustees received an annual retainer of \$75,000 for his duties as chair and attendance at committee and ad hoc meetings in either an official or ex-officio capacity. During the year ended December 31, 2005, there were no directors of BFI Canada Newco who were not also Trustees of the Fund. The chair of each board committee received an additional annual retainer of \$4,000 (\$6,000 in the case of the Audit Committee chair) and other members of those committees (other than the Chairman) received an additional annual retainer of \$2,000. Board members received a fee of \$1,250 for each board meeting attended, and committee members (other than the Chairman) received a fee of \$1,250 for each committee meeting attended. Trustees and directors were also reimbursed for out-of-pocket expenses for attending board and board committee meetings. During the year ended December 31, 2005, the non-management directors of the BFI Canada Newco were entitled under the LTIP to elect to receive their compensation for 2005, in whole or in part, in Units. See “Compensation of Executive Officers — Long-Term Incentive Plan”.

Effective January 1, 2006, each non-management Trustee or director of BFI Canada Newco (other than the Chairman) will receive an annual retainer of \$40,000. The Chairman of the Fund’s Board of Trustees will receive an annual retainer of \$90,000 for his duties as chair and attendance at committee and ad hoc meetings in either an official or ex-officio capacity. Also effective January 1, 2006, the chair of each board committee will receive an additional annual retainer of \$4,000 (\$10,000 in the case of the Audit Committee chair) and other members of those committees (other than the Chairman) will receive an additional annual retainer of \$2,000.

During the year ended December 31, 2005, a total of \$317,336 was paid in respect of Trustees’ and directors’ fees. A total of \$27,781 was paid in respect of reimbursement of expenses incurred by the Trustees and directors relating to travel and other expenses attributable to attending board and board committee meetings. Keith A. Carrigan, the Vice Chairman and Chief Executive Officer of BFI Canada Newco, and Charles F. Flood, the President of BFI Canada Newco were not entitled to compensation for acting in the capacity of Trustee and director; however, all their expenses were paid by the Fund or a subsidiary. For the year ended December 31, 2005, 70% of the aforementioned fees were allocated in respect of services provided to BFI Canada Newco, and 30% were allocated in respect of services provided to the Fund. The Chairman of the Fund’s Board of Trustees also received a fee of \$1,250 per day on which he traveled on business for the Fund or BFI Canada Newco. Where meetings were held concurrently for both the Fund and BFI Canada Newco members did not receive double compensation.

The Compensation Committee has recommended to the Trustees that a Unit Ownership Program for Trustees be implemented in 2006. The program would provide that within five years of the initiation of the program (or upon becoming a Trustee following its adoption), each Trustee will be required to own Units in the Fund having a value equivalent to three times his or her annual retainer.

INDEBTEDNESS

None of the Trustees of the Fund or the directors, executive officers or senior officers of its subsidiary entities, or any associate of any of the foregoing, is, or has been at any time since January 1, 2005, indebted to the Fund or any of its subsidiary entities. None of the indebtedness of any such person to another entity is, or has been at any time since January 1, 2005, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Fund or any of its subsidiaries.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The following table describes the Fund's governance practices. For convenience, these are organized by reference to the requirements set out in NI 58-101.

NI 58-101 Required Disclosure	Status*	Comments regarding the Fund's Corporate Governance Practices
1. Board of Directors/Trustees	Yes	<p>A majority of the Fund's Board of Trustees are independent. The independent Trustees are as follows:</p> <ul style="list-style-type: none"> • T. Iain Ronald • Joseph H. Wright • Daniel Milliard • James J. Forese • Daniel M. Dickinson <p>The following directors are not independent:</p> <ul style="list-style-type: none"> • Keith Carrigan • Charles F. Flood <p>The Trustees have determined that Mr. Carrigan and Mr. Flood are related by virtue of their employment with BFI Canada Newco.</p> <p>The chairman of the board from January 1, 2005 to December 31, 2005 was T. Iain Ronald. As of January 1, 2006, Joseph Wright assumed the role of Chairman. Both T. Iain Ronald and Joseph Wright are independent Trustees.</p> <p>The following Trustees are presently a director of another reporting issuer or public company in a foreign jurisdiction:</p> <ul style="list-style-type: none"> • James J. Forese serves on the board of directors of Spherion Corporation, Suntron Corporation, and Anheuser-Busch Companies, Inc. • T. Iain Ronald serves on the board of directors of Loblaw Companies Limited, Leon's Furniture Limited and Strongco Inc., and he is also a trustee of Allied Properties Real Estate Investment Trust. • Joseph H. Wright serves on the board of directors of Loblaw Companies Limited and is Chairman of Hollinger Inc. <p>The attendance record of each Trustee for board meetings, one of which occurred prior to Mr. Forese, Mr. Dickinson and Mr. Flood becoming members of the Board of Trustees, is as follows:</p> <ul style="list-style-type: none"> • T. Iain Ronald: 6 of 8 meetings • Joseph H. Wright: 7 of 8 meetings • Daniel Milliard: 8 of 8 meetings • James J. Forese: 7 of 7 meetings • Daniel M. Dickinson: 7 of 7 meetings • Keith Carrigan: 7 of 8 meetings • Charles F. Flood: 7 of 7 meetings <p>Following each meeting of the Board of Trustees, the independent Trustees hold a separate meeting at which non-independent Trustees and members of management do not attend. There have been 8 such meetings held in the financial year ended December 31, 2005.</p>

NI 58-101 Required Disclosure	Status*	Comments regarding the Fund's Corporate Governance Practices
2. Board Mandate	Yes	The Chairman's role is to facilitate open and candid discussion among the independent trustees. The Fund's non-executive Chairman, Joseph H. Wright, is an independent Trustee.
3. Position Descriptions	Partly	<p>The Board of Trustees has not finalized the written position descriptions for the chair of the Board of Trustees and the chair of each committee. The Board of Trustees anticipates that such written position descriptions will be finalized and approved in 2006.</p> <p>Given the recent separation of the President and Chief Executive Officer positions, a written position description for the Chief Executive Officer will be finalized and approved in 2006.</p>
4. Orientation and Continuing Education	Yes	<p>Orientation materials relating to the Fund's business and affairs are provided to new trustees regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the business carried on by the Fund and its subsidiaries. A general orientation package including materials with respect to the Board of Trustees' mandate and the mandate of each committee of the Fund's Board of Trustees and BFI Canada Newco's board of directors, the Fund's disclosure policy, the Fund's code of conduct, an overview of the Fund's approvals policy and an overview on landfills and landfill development is provided to Trustees.</p>
5. Ethical Business Conduct	Yes	<p>A Code of Conduct applicable to all employees, officers and Trustees was implemented by the Trustees this year. A Code of Ethics for Senior Executives has also recently been implemented (collectively the "Code"). A copy of the Code of Conduct is available at www.SEDAR.com and a copy of the Code of Ethics is available from the Manager, Investor and Employee Relations via phone or email: Phone: (416) 401-7729, Email: investorrelations@bficanada.com. To facilitate compliance with the Code, the Code of Conduct includes mandatory procedures with respect to the reporting of conflicts of interest.</p> <p>Since the beginning of the most recently completed financial year, no reports have been filed pertaining to any conduct of a Trustee, director or executive officer that constitutes a departure from the Code.</p> <p>The Code includes requirements with respect to the avoidance of self-dealing conflicts of interests. The Code provides for a complaint procedure which allows employees to report (anonymously, if they wish) any conduct that does not comply with the Code.</p> <p>Through the Code, the Board encourages and promotes a culture of ethical business conduct.</p>

NI 58-101 Required Disclosure	Status*	Comments regarding the Fund's Corporate Governance Practices
6. Nomination of Directors/Trustees	Yes	<p>The Governance and Nominating Committee is responsible for the nomination of Trustees and directors. The Governance and Nominating Committee has recently retained Mercer Human Resource Consulting to provide advice with respect to Board composition. The Governance and Nominating Committee is currently considering expanding the Board in 2006. The Governance and Nominating Committee is composed of four members and all of them are independent. The Governance Committee and Nominating examines the size, composition and structure of the Board and makes recommendations with respect to individuals qualified for appointment.</p>
7. Compensation	Yes	<p>On an annual basis, the Compensation Committee, composed entirely of independent Trustees, reviews and recommends to the Trustees, for approval, the remuneration of directors and senior management.</p> <p>In 2005, the Compensation Committee engaged Mercer Human Resource Consulting to provide market data on executive compensation pay levels including trends in long-term incentive design. Mercer Human Resource Consulting completed a competitive market pay analysis and provided alternative long-term incentive design programs for the Company's consideration. Decisions made by the Compensation Committee are at the discretion of the Compensation Committee and may reflect factors and considerations other than the information provided by Mercer Human Resource Consulting. Executive compensation packages were benchmarked to packages for executives of similar sized Canadian public companies and the Fund's peers in the waste management industry in the United States.</p>
8. Other Board Committees	Yes	<p>BFI Canada Newco also has an Environmental Health & Safety Committee. This Committee's purpose is to review and monitor safety, health and environmental policies and practices, monitor compliance with standards for environmental, health and safety practices and matters and advise the Board of Directors of BFI Canada Newco on the adequacy thereof and receive updates from management with respect to health, safety and environmental performance.</p>
9. Trustee/Board Assessments	Yes	<p>The Board of Trustees has determined that an evaluation of its effectiveness and contributions will be performed in 2006.</p>

* "Yes" indicates that the corporate governance practices of the Fund and its subsidiaries, as applicable, generally comply with the NI 58-101 requirement.

"Partly" indicates that the corporate governance practices of the Fund and its subsidiaries, as applicable, partially comply with the relevant NI 58-101 requirement.

"No" indicates that the corporate governance practices of the Fund and its subsidiaries, as applicable, do not comply with the relevant NI 58-101 requirement.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Fund has policies of insurance for the Trustees of the Fund and the directors and officers of its subsidiary entities, including BFI Canada Newco.

The aggregate limit of liability applicable to those insured directors and officers under the policies is \$20 million, inclusive of costs to defend claims. Under the policies, BFI Canada Newco will have reimbursement coverage to the extent that it has indemnified the directors and officers in excess of the deductible of \$150,000 for each loss. The policies include coverage for claims under securities laws and insurance against any legal obligations to pay on account of any such claims.

For the period from January 1, 2005 (since January 21, 2005 for IESI) to December 31, 2005, the total premium paid on the policies was \$333,119. Because the policies are subject to aggregate limits of liability, the amount of coverage may be diminished or exhausted by any claims made thereon. Also, continuity of coverage is contingent upon the availability of renewal insurance, or of replacement insurance without a retroactive date so as not to limit coverage for prior wrongful acts.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The completion of the Transaction involved a number of matters that have resulted in ongoing arrangements between the Fund, its subsidiary entities and certain of its insiders. These matters are described in the Fund's prospectus dated December 20, 2004 and, in particular, the disclosure appearing under the sections titled "The Transaction — Closing Transactions", "The Transaction — Retained Interest", "The Transaction — New and Amended Credit Facilities", "The Transaction — Governance Arrangements", "Management" and "Plan of Distribution", which sections are incorporated herein by reference. A copy of the Fund's prospectus and the material agreements referred to therein are available at www.sedar.com, or may be obtained upon request without charge by contacting the Fund at 135 Queens Plate Drive, Suite 300, Toronto, Ontario, M9W 6V1.

ADDITIONAL INFORMATION

Financial information for the financial year ended December 31, 2005 is provided in the Fund's comparative financial statements and management's discussion and analysis (MD&A) which are included in the Annual Report. Voting Unitholders who wish to be added to the mailing list for the annual and interim financial statements and MD&A should contact the Fund at 135 Queens Plate Drive, Suite 300, Toronto, Ontario, M9W 6V1.

The Annual Report (including the financial statements and MD&A), the AIF and other information relating to the Fund are available on SEDAR at www.sedar.com.

NOTIFICATION OF AMENDMENT

The Fund's declaration of trust dated February 28, 2002, as amended and restated on April 15, 2002, and as further amended by the Second Amended and Restated Declaration of Trust of the Fund dated January 21, 2005, and approved at the January 20, 2005 special meeting of Unitholders, was further amended by a first supplemental indenture dated October 6, 2005 and a second supplemental indenture dated January 1, 2006 (together the "Second Amended and Restated Declaration of Trust").

The First Supplemental Indenture to the Second Amended and Restated Declaration of Trust, made October 6, 2005, was executed and delivered for the purposes of making necessary minor changes and corrections. Amendments included minor revisions to facilitate the transfer of the 12% unsecured subordinated notes of IESI Corporation in the aggregate principal amount of approximately US\$160 million, issued pursuant to the Transaction, from BFI Canada Newco to the Fund and the acquisition of the Ridge Landfill Trust by the Fund.

The Second Supplemental Indenture to the Second Amended and Restated Declaration of Trust, made January 1, 2006, was executed and delivered for the purposes of making necessary minor changes and

corrections to permit the Trustees to appoint a Vice Chairman and other officers of the Fund, in addition to the Fund's Chairman and Secretary.

OTHER MATTERS

The Trustees know of no other amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

APPROVAL OF TRUSTEES

The contents of this Circular and its sending to Voting Unitholders of the Fund have been approved by the Trustees of the Fund.

BY ORDER OF THE BOARD OF TRUSTEES



WILLIAM CHYFETZ
4264126 Canada Limited, in its capacity as attorney
for BFI Canada Income Fund

Toronto, Ontario
March 17, 2006

SCHEDULE A

UNIT OPTION PLAN RESOLUTION

Resolution of the Unitholders of BFI Canada Income Fund

RESOLVED, that the Unit Option Plan of BFI Canada Income Fund (the “Fund”) adopted by the Board of Trustees, as summarized in the Management Information Circular to which this resolution is attached as Schedule A, is hereby approved and adopted.

RESOLVED, that any Trustee of the Fund or any director or officer of 4264126 Canada Limited, in its capacity as attorney for the Fund, is hereby authorized and directed in the name of and on behalf of the Fund, to execute and deliver or cause to be delivered all such documents and to do all such other acts and things as such person may consider necessary or desirable in order to carry out the intent of the foregoing and the matters authorized hereby.

SCHEDULE B

MANDATE OF THE TRUSTEES OF BFI CANADA INCOME FUND

The purpose of this document is to summarize the governance and management roles and responsibilities of the Trustees of the BFI Canada Income Fund (the “Fund”).

1. Accountability

The Trustees are responsible to Unitholders of the Fund.

2. Role

The role of the Trustees is to focus on governance and stewardship. Their role is to review corporate direction (strategy), assign responsibility to management for achievement of that direction, establish executive limitations, and monitor performance against those objectives. In fulfilling this role, the Trustees will regularly review management’s strategic plans so that they continue to be responsive to the changing business environment in which the Fund operates.

3. Responsibilities

To fulfill their role, the Trustees will:

(a) **Define Unitholder Expectations for Corporate Performance Through Effective Communication with Unitholders**

- Satisfy itself that there is effective communication between the Trustees and the Fund’s unitholders, other stakeholders, and the public.
- Determine, from time to time, the appropriate criteria against which to evaluate performance, and set strategic goals and objectives within this context.

(b) **Establish Strategic Goals, Performance Objectives and Operational Policies**

The Trustees will review and approve broad strategic objectives for the Fund and establish values against which the Fund’s performance will be measured. In this regard, the Trustees will:

- Approve long-term strategies.
- Review and approve management’s strategic and operational plans so that they are consistent with long-term goals.
- Approve strategic and operational policies within which management will operate.
- Set targets against which to measure executive performance.
- Satisfy itself that a portion of executive compensation is linked appropriately to the Fund’s performance.
- Satisfy itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management.

(c) **Monitor Fund Performance**

- Understand, assess and monitor the principal risks of all aspects of the business in which the Fund is engaged.
- Monitor Fund performance against both short-term and long-term strategic plans and annual performance targets, and monitor compliance with Trustee’s policies and the effectiveness of risk management practices.

(d) Develop Trustee Processes

- Develop procedures relating to the conduct of the Trustees and the fulfillment of the Trustee's responsibilities. In this regard the Trustees will:
- Ensure the Audit Committee of the Fund puts in place procedures to receive and handle complaints or concerns received by the Fund about accounting or audit matters including those submitted anonymously by an employee of the Fund.
- To the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer (CEO) and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization.
- Establish expectations and responsibilities of Trustees, including basic duties and responsibilities with respect to attendance at board meetings and advance review of meeting materials.