



**MANAGEMENT INFORMATION CIRCULAR**

**ANNUAL AND SPECIAL MEETING**

**OF**

**JUST ENERGY INCOME FUND**

**(formerly known as Energy Savings Income Fund)**

**TO BE HELD ON THURSDAY, JUNE 25, 2009**

**TORONTO, ONTARIO**

**MAY 15, 2009**



MAY 15, 2009

Dear Unitholder:

Please accept my personal invitation to join us at the eighth Annual and Special Meeting of **Just Energy Income Fund** which takes place at 4:00 p.m., on Thursday June 25, 2009 at the Toronto Stock Exchange — Broadcast Centre, in Toronto which is located on the main floor of The Exchange Tower, 2 First Canadian Place, 130 King Street West.

I am pleased to announce the rebranding of the Energy Savings Group and, subject to closing, Universal Energy Group to our new name, **Just Energy**. The **Just Energy** name has been successfully used in Texas and we believe offers a clear message that our product offers the assurance of stability but not guaranteed savings. We have always been a focused business and **Just Energy** is that focus.

**Just Energy** is situated in a high growth industry, the deregulation of natural gas and electricity sales to residential and commercial customers under long-term irrevocable contracts (price protected for electricity). Deregulation is spreading to new jurisdictions every year creating millions of new potential customers for our Fund. In addition, our Green Energy Option products allow homeowners to contract for green electricity and/or reduce or eliminate the carbon footprint of their natural gas usage.

The Fund announced on April 22 it had entered into an Arrangement Agreement to acquire Universal Energy Group Ltd. pursuant to a plan of arrangement, currently scheduled to close before the end of June or early July. The amalgamation of Universal's 580,000 residential customer equivalents into our book of almost 1.8 million customers further establishes the new **Just Energy** as a North American leader in the sale of deregulated natural gas and electricity. This is a very exciting time for **Just Energy**.

As our Annual Report details, fiscal 2009 was an excellent year for your Fund. Despite the worst North American recession since the 1930's, we generated record gross margin and distributable cash. As well, our sales team generated solid customer additions in a very challenging market.

The items of business to be dealt with and the details of the meeting are listed in the attached Notice of Meeting. The business will include: (i) the presentation of the Audited Consolidated Financial Statements of the Fund and the Report of the Auditors for the fiscal year ended March 31, 2009; (ii) the election of Directors of Ontario Energy Savings Corp., for the first time on an individual basis as a new corporate governance initiative; (iii) the approval of two ordinary resolutions to increase the number of unit appreciation rights and the number of directors' deferred unit grants pursuant to the Fund's 2004 Unit Appreciation Rights Plan and the Directors Deferred Compensation Plan respectively; (iv) the approval of a special resolution of the Fund to amend the Fund's Declaration of Trust to create special voting rights for the holders of exchangeable securities; and (v) the appointment of KPMG LLP as auditors.

Information concerning the Fund and its operating entities is available at our website at [www.justenergy.com](http://www.justenergy.com). You will also find recently filed corporate disclosure documents on the website.

I hope you will be able to attend as the meeting is your opportunity to meet with the Board of Directors and the Senior Management Team to discuss items of interest to you and to receive a presentation outlining our continuing efforts to ensure that the Fund remains one of your most valued holdings.

If you are unable to attend in person, I urge you to vote indicating your preferences by signing and returning the enclosed Form of Proxy in the envelope provided.

Sincerely,

REBECCA MACDONALD  
Executive Chair  
Ontario Energy Savings Corp.



## NOTICE OF ANNUAL AND SPECIAL MEETING

**TO: THE UNITHOLDERS OF JUST ENERGY INCOME FUND (formerly Energy Savings Income Fund)**

**AND TO: THE HOLDER OF CLASS A PREFERENCE SHARES OF ONTARIO ENERGY SAVINGS CORP.**

TAKE NOTICE that the Annual and Special Meeting (the "Meeting") of the holders of: (i) trust units ("Units") of **Just Energy Income Fund** (the "Fund") and (ii) Class A Preference Shares of Ontario Energy Savings Corp. ("OESC") (collectively, the "Holders") will be held at the Toronto Stock Exchange — Broadcast Centre, The Exchange Tower, 2 First Canadian Place, 130 King Street West, Toronto, Ontario, Canada M5X 1J2 on Thursday the 25th day of June, 2009 (the "Meeting Date"), at 4:00 p.m. (Toronto time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Fund for the year ended March 31, 2009 and the auditors' report thereon;
2. to consider the nominees of the Fund standing for election as directors of OESC on an individual basis and direct Montreal Trust Company of Canada ("Trustee"), as trustee of the Fund, to vote the common shares of OESC held by the Fund in favour of the individual election of directors accordingly;
3. to approve an ordinary resolution increasing the number of unit appreciation rights issuable under the Fund's 2004 Unit Appreciation Rights Plan as described in the Information Circular delivered with this Notice;
4. to approve an ordinary resolution increasing the number of directors' deferred unit grants issuable under the Fund's Directors' Deferred Compensation Plan as described in the Information Circular delivered with this Notice;
5. to approve a special resolution of the Fund to amend the Fund's Declaration of Trust to create special voting rights for the holders of exchangeable securities, as described in the Information Circular delivered with this Notice;
6. to appoint KPMG LLP as auditors of the Fund, with its remuneration to be fixed by OESC, the administrator of the Fund; and
7. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular accompanying and forming part of this Notice.

Holders who are unable to attend the Meeting in person are requested to date and sign the enclosed form of proxy and to mail it to or deposit it with the Fund, c/o Computershare Investor Services Inc., 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, or deposit it on the Meeting Date with the Chair of the Meeting prior to the commencement of the Meeting. In order to be valid and acted upon at the Meeting, forms of proxy must be returned to the aforesaid address not less than 48 hours before the time set for the holding of the Meeting or any adjournment or postponement thereof or be deposited with the Chair of the Meeting on the Meeting Date prior to the commencement of the Meeting.

OESC, as administrator of the Fund, has fixed the record date for the Meeting as the close of business on May 15, 2009 (the "Record Date"). Holders of record at the close of business on the Record Date will be entitled to vote at the Meeting. No person who became a Holder after the Record Date shall be entitled to vote at the Meeting.

**Dated at Toronto, Ontario  
this 15th day of May, 2009.**

**JUST ENERGY INCOME FUND,  
(formerly Energy Savings Income Fund)  
BY ITS ADMINISTRATOR,  
ONTARIO ENERGY SAVINGS CORP.**

**REBECCA MACDONALD  
Executive Chair  
Ontario Energy Savings Corp.**

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## INFORMATION CIRCULAR

### SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies on behalf of Montreal Trust Company of Canada (the “Trustee”) by Ontario Energy Savings Corp. (“OESC” or the “Administrator”), the administrator of Just Energy Income Fund (the “Fund”), for use at the Annual and Special Meeting (the “Meeting”) of the holders (the “Unitholders”) of units (“Units”) of the Fund and the holder of Class A Preference Shares of OESC (the “Preference Shares”) (the holders of Units and Preference Shares being collectively referred to as “Holders”), to be held at the Toronto Stock Exchange — Broadcast Centre, the Exchange Tower, 2 First Canadian Place, 130 King Street West, Toronto, Ontario, Canada M5X 1J2 on Thursday, the 25<sup>th</sup> day of June, 2009 (the “Meeting Date”), at 4:00 p.m. (Toronto time) for the purposes set forth herein and in the Notice of Meeting accompanying this Information Circular. References herein to “Holder” shall mean the holder of either Units or Preference Shares, as applicable.

**FOR PURPOSES OF THE MEETING AND PURSUANT TO AN AMENDED AND RESTATED DECLARATION OF TRUST BETWEEN THE TRUSTEE AND OESC DATED AS OF APRIL 30, 2007 AS AMENDED ON DECEMBER 20, 2007 AND MAY 14, 2009 (THE “DECLARATION OF TRUST”), THE HOLDERS OF PREFERENCE SHARES ARE ENTITLED TO BE TREATED AS IF THEY ARE THE HOLDERS OF THE NUMBER OF UNITS THAT THEY WOULD BE ENTITLED TO RECEIVE ON THE RELEVANT DATE, IF THEY EXERCISED ON SUCH DATE, THE SHAREHOLDER EXCHANGE RIGHTS WITH RESPECT TO ALL OF THE PREFERENCE SHARES HELD BY THEM. ACCORDINGLY, PURSUANT TO THE DECLARATION OF TRUST AND AN AGREEMENT AMONG THE FUND, OESC, OESC EXCHANGECO II INC. (“EXCHANGECO”), THE HOLDERS OF PREFERENCE SHARES AND CERTAIN OTHER PARTIES DATED APRIL 30, 2001, AS AMENDED AND RESTATED (THE “OESC SHAREHOLDERS’ AGREEMENT”). THE ENCLOSED PROXY MAY BE COMPLETED BY ANY PERSON WHO HOLDS UNITS AND/OR WHO HOLDS PREFERENCE SHARES.**

The costs incurred in the preparation and mailing of the proxy, notice of annual general meeting and this Information Circular will be borne by the Fund. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Administrator, who will not be specifically remunerated therefor.

### APPOINTMENT OF PROXIES

Holders have received with this Information Circular a form of proxy for the Meeting. The persons named in such form of proxy are directors and officers of the Administrator. A Holder submitting a proxy has the right to appoint a person (who need not be a Holder) to attend and act on his or her behalf at the Meeting, other than the persons designated in the enclosed form of proxy. Such appointment may be exercised by striking out the names of the persons designated in the enclosed form of proxy and by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy. A form of proxy will not be valid unless it is completed and delivered to the Fund, c/o Computershare Investor Services Inc., 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, for receipt not less than 24 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting Date or any adjournment or postponement thereof at which the proxy is to be used or be deposited with the Chair of the Meeting prior to the commencement of the Meeting. A proxy should be executed by the Holder or his attorney duly authorized in writing or, if the Holder is a corporation, by an officer thereof or an attorney thereof duly authorized.

OESC, as administrator of the Fund, has fixed the record date for the Meeting as the close of business on May 15, 2009 (the “Record Date”). Only Holders of record as at that date are entitled to receive notice of, and to vote at, the Meeting. No person who became a Holder after the Record Date shall be entitled to vote at the Meeting.

## REVOCABILITY OF PROXIES

A Holder who has submitted a proxy may revoke it at any time insofar as it has not been exercised. A proxy may be revoked, as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by instrument in writing executed by the Holder or by his or her attorney duly authorized in writing or, if the Holder is a corporation, by an officer or attorney thereof duly authorized in writing and deposited either at the head office of the Fund located at First Canadian Place, 100 King Street West, Suite 2630, P.O. Box 355, Toronto, Ontario, M5X 1E1, as the case may be, at any time up to and including the last business day preceding the Meeting Date or with the Chair of the Meeting on the Meeting Date and upon either of such deposits the proxy is revoked. A proxy may also be revoked if a Holder personally attends the Meeting and votes his or her Units or Preference Shares, as the case may be, or in any other manner permitted by law.

## EXERCISE OF DISCRETION BY PROXYHOLDERS

The persons designated as nominees in the enclosed form of proxy will, on a poll, vote or withhold from voting, or vote as instructed, the securities in respect of which they are appointed in accordance with the instructions of the Holders appointing them. In the absence of such a voting instruction such securities will, on a poll or otherwise, be voted **FOR APPROVAL** or **FOR** those matters set out in the enclosed proxy and, at the discretion of the proxyholders, with respect to other matters that may properly come before the Meeting. **THE ENCLOSED FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN WITH RESPECT TO AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE PROXY AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING.** At the time of printing this Information Circular, management of the Administrator is not aware of any such amendments, variations or other matters. If any matters which are not now known to the Administrator should properly come before the Meeting, the persons named in the accompanying form of proxy will vote on such matters in accordance with their best judgment.

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

Montreal Trust Company of Canada is the Trustee of the Fund. The Trustee holds all the common shares of OESC on behalf of the Fund and must vote them pursuant to the direction of the Holders.

## UNITS, PREFERENCE SHARES AND THE PRINCIPAL HOLDERS THEREOF

### Units and Preference Shares

The Fund is an open-ended, limited purpose trust, established by the Declaration of Trust for the purpose of investing in and holding, directly or indirectly, certain securities of OESC and Exchangeco and 100% of the securities of several affiliated entities and issuing Units to the public. The sole beneficiaries of the Fund are the holders of the Units and Preference Shares. Pursuant to the terms of the Declaration of Trust: (a) Unitholders of record are entitled to notice of and to attend at the Meeting in person or by proxy, and to one vote per Unit held on any ballot thereat; and (b) the Holders of Preference Shares are entitled to notice of and to attend the Meeting in person or by proxy, and to vote in all votes of Unitholders as if they were the holders of the number of Units which they would receive if they exercised all of their shareholder exchange rights pursuant to the OESC Shareholders' Agreement as of the record date for such votes and are treated in all respects as Unitholders for the purpose of any such votes.

As at May 15, 2009, the Record Date, the Fund has 106,170,109 issued and outstanding Units and OESC has 5,263,728 issued and outstanding Preference Shares so that 111,433,877 votes are entitled to be cast at the Meeting.

### Principal Holders of Units and Preference Shares

Except as disclosed below, to the best of the knowledge of the Trustee, the Administrator and the directors and senior officers of the Administrator, there is no person or corporation which beneficially owns, directly or indirectly, or exercises control or direction over, Units and Preference Shares, collectively carrying more than



10% of the voting rights attached to all Preference Shares of OESC and all Units of the Fund, in the aggregate, entitled to vote at the Meeting. Acuity Investment Management Inc. (“Acuity”) filed a report on Sedar as an eligible institutional investor pursuant to Part 4 of National Instrument 62-103 for the period ending March 31, 2008 indicating that as at March 31, 2008, it held as an eligible institutional investor, in accounts managed by Acuity 17,998,650 Units of the Fund (18.01%) of the then outstanding Units of the Fund. The report states that: “the securities were acquired in the ordinary course of business for investment purposes and not for the purpose of exercising control or direction over the Reporting Issuer” (ie. the Fund). On May 6, 2009 Acuity advised the Fund that it owned 19,254,137 Units of the Fund (18.14% of the then outstanding Units of the Fund).

As at May 15, 2009, the officers and directors of OESC held beneficially, directly or indirectly, in the aggregate, approximately 9,828,813 Units and 5,263,728 Preference Shares (all of which Preference Shares are beneficially owned, directly or indirectly, by Rebecca MacDonald).

### **Voting of Units — Advice to Beneficial Holders of Units**

The information as set forth in this section is of significant importance to all Unitholders of the Fund, as none of the Unitholders (“Beneficial Unitholders”) of the Fund hold Units in their own name. If you are a Beneficial Unitholder and wish to vote in person at the Meeting, please contact your broker or agent well in advance of the Meeting to determine how you can do so.

Beneficial Unitholders should note that only proxies deposited by Unitholders whose names appear on the records of the Fund as the registered holders of Units can be recognized and acted upon at the Meeting. All of the Units are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited (“CDS”). CDS maintains books showing through which of its participants, such as investment dealers or brokers, the Units are owned. Investment dealers and brokers maintain their own records showing the Beneficial Unitholders of such Units by their clients. Units held by CDS can be voted only upon the instructions of the Beneficial Unitholder. Without specific instructions, CDS and its participants are prohibited from voting Units for their clients. The Administrator does not know for whose benefit the Units registered in the names of CDS are held. Therefore, Beneficial Unitholders cannot be recognized at the Meeting for purposes of voting their Units in person or by way of proxy unless they comply with the procedure designated below.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Unitholders in advance of Unitholder’s meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their Units are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Unitholder by its broker is identical to that provided to CDS. However, its purpose is limited to instructing the registered Unitholder how to vote on behalf of the Beneficial Unitholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada (“Broadridge”). Broadridge typically prepares a voting instruction form (the “Voting Form”) which it mails to the Beneficial Unitholders and asks Beneficial Unitholders to return the Voting Form directly to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Units to be represented at the Meeting. A Beneficial Unitholder receiving a Voting Form cannot use that Voting Form to vote Units directly at the Meeting. The Voting Form must be returned to Broadridge well in advance of the Meeting in order to have the Units voted.

**IF YOU WISH TO VOTE IN PERSON AT THE MEETING, PLEASE CONTACT YOUR BROKER OR AGENT WELL IN ADVANCE OF THE MEETING TO DETERMINE HOW YOU CAN DO SO.**

### **Quorum for Meeting**

At the Meeting, a quorum shall consist of two or more persons either present in person or represented by proxy and representing in the aggregate not less than 25% of the outstanding Units and Preference Shares. If a quorum is not present at the Meeting within one half hour after the time fixed for the holding of the Meeting, it shall stand adjourned to such day being not less than 14 days later and to such place and time as may be determined by the Chair of the Meeting. At such Meeting, the Unitholders present either personally or by proxy shall form a quorum.



## **MATTERS TO BE ACTED UPON AT THE MEETING**

### **Receipt of Consolidated Audited Financial Statements and Auditors' Report**

The consolidated audited financial statements of the Fund for the financial year ended March 31, 2009 and accompanying auditors report will be presented at the Meeting.

### **Election of Directors of Ontario Energy Savings Corp.**

OESC has a board of directors (the "Board"), which presently consists of nine members all of whom are standing for election and are being elected by the Trustee as directed, as the holder of all the common shares of OESC and by the Holders of Preference Shares.

A biographical summary for each nominee director is included in Schedule D to this Information Circular.

As a corporate governance initiative, for the first time, the nominee directors are being elected on an individual as opposed to a slate basis. The Board of OESC has adopted a policy which requires that any nominee for director who receives a greater number of votes "withheld" than votes "for" his or her election as a director shall submit his or her resignation to the Nominating and Corporate Governance Committee for consideration promptly following the Meeting. The Nominating and Corporate Governance Committee shall consider the resignation and shall recommend to the Board of OESC whether to accept it. The Board of OESC will consider the recommendation and determine whether to accept it within 90 days of the Meeting and a news release will be issued by the Fund announcing the Board's determination. A director who tenders his or her resignation will not participate in any meetings to consider whether the resignation shall be accepted. Unitholders should note that, a "withheld" vote is effectively the same as a vote against a director nominee.

The following persons are the nominees proposed by the Administrator on behalf of the Fund for election as directors of OESC to serve until the next annual meeting of Unitholders or until their successors are duly elected or appointed. The OESC Shareholders' Agreement provides that at all times a majority of the directors of OESC shall be persons who are not officers or employees of OESC or any affiliate or subsidiary thereof or persons who beneficially own, directly or indirectly, or who exercise control or direction over Units representing more than 10% of the outstanding Units on a fully diluted basis (including Preference Shares) or directors or officers of any such person or any affiliate or subsidiary thereof. For these purposes any person who beneficially owns or exercises control or direction over Preference Shares shall be considered to beneficially own or exercise control or direction over the number of Units which would be received on the exercise of shareholder exchange rights in respect of the Preference Shares beneficially owned by him or over which he exercises control or direction. If any vacancies occur in the slate of such nominees because any nominee is unable to serve or will not serve, discretionary authority conferred by the proxies appointing the Fund nominees will be exercised to grant approval to the Trustee to cause the Administrator to vote for the election of any other person or persons nominated by the Trustee. The names and addresses of the nominees for election as directors, principal occupations, year in which each became a director of OESC and the number of Units, Unit Appreciation Rights

and Deferred Unit Grants of the Fund and Preference Shares beneficially owned or over which control or direction is exercised by such persons, at March 31, 2009, are as follows:

<b>Name, Age, City, Province or State and Country of Residence and Year First Became a Director</b>	<b>Position with OESC</b>	<b>Principal Occupation</b>	<b>Units Beneficially Owned or Over which Control or Direction is Exercised<sup>(5),(7),(8)</sup></b>	<b>Directors Deferred Unit Grants (“DUGs”) and Unit Appreciation Rights (“UARs”) Beneficially Owned<sup>(7),(8)</sup></b>
John A. Brussa <sup>(2)(4)</sup> Calgary, Alberta 2001	Director	Partner, Burnet, Duckworth & Palmer LLP	75,000	5,330 DUGs
Ken Hartwick Milton, Ontario 2008	President, Chief Executive Officer and Director	President and Chief Executive Officer of the Corporation	21,166	282,115 UARs
Ronald V. Joyce <sup>(3)</sup> Burlington, Ontario 2008	Director	Chairman, Jetport Inc.	7,965,362	1,028 DUGs
The Hon. Michael J.L. Kirby <sup>(1)(4)</sup> Ottawa, Ontario 2001	Director	Corporate Director	25,776	5,619 DUGs
The Hon. Gordon D. Giffin <sup>(2)(4)</sup> Atlanta, Georgia 2006	Director	Senior Partner, McKenna, Long & Aldridge LLP	Nil	19,185 DUGs
The Hon. R. Roy McMurtry <sup>(2)(3)</sup> Toronto, Ontario	Director	Until May 31, 2007 Chief Justice, of Ontario and currently Counsel, Gowling Lafleur Henderson LLP	6,535	2,323 DUGs
Rebecca MacDonald Toronto, Ontario 2001	Executive Chair and Director	Executive Chair of the Corporation	5,846,120 <sup>(5)</sup>	338,198 UARs
The Hon. Hugh D. Segal <sup>(1)(2)(3)(4)(6)</sup> Kingston, Ontario 2001	Lead Director	Member of the Senate of Canada and Senior Fellow, School of Policy Studies, Queens University	11,960	5,908 DUGs
Brian R.D. Smith <sup>(1)(2)</sup> Vancouver, British Columbia 2001	Director	Federal Chief Treaty Negotiator and Energy Consultant	11,097	23,137 DUGs

Notes:

- (1) Member of the Audit Committee. Mr. Kirby is the Chair.
- (2) Member of the Compensation and Human Resources Committee. Mr. Smith is the Chair.
- (3) Member of the Nominating and Corporate Governance Committee. Mr. Segal is the Chair.
- (4) Member of the Risk Committee. Mr. Kirby is the Chair. Mr. Giffin is the Vice Chair.
- (5) Includes Units issuable on the exercise of shareholder exchange rights attaching to Preference Shares pursuant to the OESC Shareholders’ Agreement.
- (6) Appointed lead director by the Board of Directors on January 17, 2005.
- (7) As indicated under the heading “General Background” on page 8 of this Information Circular, for the year of the Fund ending March 31, 2009, the non-management directors of OESC were required to receive \$15,000 of their annual base retainer in fully paid DUGs at the end of each quarter and are entitled to elect to receive all or a portion of their remaining director’s fees in fully paid DUGs payable at the end of each quarter of the Fund, pursuant to the Directors’ Deferred Compensation Plan (the “Director’s Plan”). The purpose of the Director’s Plan is to provide effective incentives for the independent directors to promote the business and success of the Fund by encouraging the ownership of Units. The DUGs, which are credited to a director’s DUG account at the end of each quarter during each fiscal year of the Fund (the “Grant Date”), and which are based upon the weighted average trading price of Units for 10 trading days on the TSX preceding the end of each quarter of the Fund’s fiscal year, may not be exchanged for Units on a 1:1 basis and issued to such director until the earlier of: (i) the termination of three years from the Grant Date, (ii) the day such director ceases to be a director of OESC and (iii) a change of control, providing that no Units may be issued after the expiry of 10 years from the Grant Date.

The price used to determine the number of notional Units granted to directors pursuant to the Director's Plan for the year ending March 31, 2009 was: \$14.44 for the quarter ended June 30, 2008; \$13.45 for the quarter ended September 30, 2008; \$7.72 for the quarter ended December 31, 2008 and \$10.68 for the quarter ended March 31, 2009 based on the simple average closing price of Units on the TSX for the 10 trading days preceding each quarter end of the Fund.

The total number of Units issuable pursuant to the Director's Plan may not exceed 100,000. As at March 31, 2009 the non-management directors owned a total of 62,530 DUGs allocated as to 5,619 to Michael Kirby; 5,908 to Hugh Segal; 23,137 to Brian Smith; 19,185 to Gordon Giffin; 5,330 to John Brussa; 1,028 to Ron Joyce and 2,323 to Roy McMurtry. The number of DUGs to which a director is entitled to receive is increased pursuant to a formula in the Director's Plan reflecting the amount of the distributions (including special distributions), which a director would have received if he held Units in lieu of DUGs. All UARs held by them are governed by their respective employment agreements, individual UAR agreements and the Fund's 2004 UAR Plan described on page 30 of this Information Circular and subject to vesting and continued employment on the applicable vesting dates are exchangeable 1:1 into Units of the Fund. Neither the DUGs nor the UARs carry the right to vote.

The Director's Plan may not be amended without Unitholder approval and the consent of the TSX. A director is not entitled to elect to be issued any Units until a period of three years has passed since the date of grant or until the director ceases to be a director of OESC whichever is earlier. The maximum number of DUGs currently available for issue under the Directors' Plan is 31,568.

- (8) Each director is required by November 9, 2009 to hold a minimum number of Units of the Fund (including UARs and DUGs) equal to at least two times the base retainer or \$100,000 (currently \$70,000) — increased to three times base retainer or \$150,000 by March 31, 2011. See "Ownership of Securities by Outside Directors on page 11 of this Information Circular. Based on the TSX closing market price for Units of \$12.16 on April 30, 2009 all directors are compliant with the current \$70,000 minimum ownership requirement. See Table "Ownership of Securities by Outside Directors" on page 11 of this Information Circular.
- (9) The attendance record for each of the directors for the year ending March 31, 2009 is set forth in the table in note (2) of Schedule A on page A7 of this Information Circular.

The information as to Units, Preference Shares, DUGs and UARs beneficially owned or controlled, directly or indirectly, not being within the knowledge of the Administrator, has been furnished by the respective nominees individually as of March 31, 2009.

#### **Appointment of Auditors of the Fund**

The Board of Directors propose that KPMG LLP be appointed as auditors of the Fund until the next annual meeting at such remuneration as may be approved by the Board of Directors.

Unless otherwise directed, the persons named in the form of proxy solicited by the Administrator will vote the Units and Preference Shares represented by proxy for the appointment of KPMG LLP as the independent auditors of the Fund, to hold office until the next annual meeting of Unitholders at a remuneration to be fixed by the Administrator. KPMG LLP have been auditors of the Fund since June 29, 2005.

In order to be effective, the resolution appointing KPMG LLP as auditors and authorizing the Directors to fix their remuneration, must receive the affirmative vote of a majority of the votes cast by Holders of Units and Preference Shares in person and represented by proxy.

**The Board of Directors of OESC recommends a vote "FOR" the appointment of KPMG LLP as independent auditors for the Fund for the fiscal year ending March 31, 2010 and "FOR" authorizing the Board of Directors of OESC to fix the auditor's remuneration.**

For fiscal 2009, fees charged by KPMG LLP for audit and related services to the Fund and its subsidiaries were \$565,066 (2008 — \$490,100). Fees for tax related services amounted to \$445,644 (2008 — \$97,418) and other fees were \$27,272 (2008 — nil). Total fees for fiscal 2009 were \$1,037,982 (2008 — \$587,512). No other services were provided to the Fund and its subsidiaries by KPMG LLP.

The Audit Committee has considered whether the magnitude and nature of these services is compatible with maintaining the independence of the external auditors and is satisfied that they are. All services provided by KPMG LLP require the approval of and were approved by the Audit Committee.

## SPECIAL ITEMS OF BUSINESS

### (a) Ordinary Resolution Increasing the number of Unit Appreciation Rights issuable under the Fund's 2004 Unit Appreciation Rights Plan

#### General Background

At the Meeting, the holders of Units of the Fund and the holders of Preference Shares will be requested to consider an ordinary resolution approving an amendment to the Fund's 2004 Unit Appreciation Rights Plan (the "UAR Plan"), which was originally approved by the holders of Units of the Fund and the holders of Preference Shares on June 29, 2004. Certain amendments to the UAR Plan were approved on June 28, 2007 including an amendment to increase the number of UARs issuable under the Plan by 1,000,000. The UAR Plan is described under the heading "Unit Appreciation Rights Plan" on page 30 of this Information Circular and is an integral component of the Fund's compensation policy for a large number of senior level employees of the Fund and its affiliates including the Named Executive Officers. See "Compensation Discussion and Analysis — UARs" on page 15 of this Information Circular.

In lieu of paying all or a portion of the bonuses to which the Named Executive Officers are entitled to receive in cash at year end, their employment agreements require them to receive in lieu of cash, fully paid UARs based on a current 20 day simple average TSX closing market price for Units of the Fund. The UARs generally vest over a period of three years providing on each applicable vesting date, the UAR grantee continues to be a senior officer of OESC or one of its affiliates. Accordingly, the issue of UARs in lieu of cash bonuses is an extremely useful retention technique and aligns the interests of employees with those of Unitholders. As authorized by the Plan, UARs are also granted on a similar basis for similar reasons to: (i) employees of the Fund and its affiliates below the level of the Named Executive Officers and (ii) service providers.

#### Proposed Amendment to the UAR Plan

If approved, the UAR Plan will be amended to increase the number of UARs which the Fund is authorized to issue by one million to three million.

Since the UAR Plan was approved, the Fund has, prior to April 1, 2009, granted 1,625,332 fully paid UARs of two million authorized UARs to eligible participants (which includes any senior officer, service providers or employee of the Fund or any controlled entity). Accordingly, the Fund is requesting the UAR Plan be amended to authorize the Fund to issue up to an additional 1,000,000 fully paid UARs and to make application to the TSX to list an equivalent number of Units. Subject to vesting and continued employment on each applicable vesting date, fully paid UARs are exchangeable into Units on a 1:1 basis.

The proposed amendment is subject to the acceptance by the TSX.

The policies of the TSX require the amendment to the UAR Plan be approved by a majority of the votes cast at the Meeting other than votes attaching to Units and Preference Shares beneficially owned by insiders to whom UARs may be issued pursuant to the UAR Plan and associates of such insiders. UARs do not carry the right to vote but entitle the holders to distributions equal to all regular and special distributions paid to the holders of Units. If the TSX or the holders of Units and Preference Shares represented at the Meeting in person or by proxy do not approve the ordinary resolution, the portion of all bonuses otherwise payable in UARs, will be payable fully in cash when the remaining inventory of 374,668 UARs is depleted. For the year ended March 31, 2009 a total of \$4,329,657 of cash bonuses were paid in the form of fully paid 408,468 UARs.

#### Ordinary Resolution

At the Meeting, Holders of Units and Preference Shares (other than those excluded from voting) will be asked to consider and, if deemed advisable, pass an ordinary resolution approving the amendment to the UAR Plan as described in Schedule E. The text of the ordinary resolution is attached to this Information Circular in Schedule E and must be approved by at least 51% of the votes cast by Holders of Units and Preference Shares represented in person or by proxy at the Meeting excluding the votes relating to Units and Preference Shares held by persons who are insiders of the Fund and OESC to whom UARs may be issued pursuant to the UAR Plan and the associates of such persons.

## **Directors' Recommendation**

The Directors, who approved the ordinary resolution on February 6, 2009 determined that the ordinary resolution is in the best interest of the Fund, its Unitholders and the holders of Preference Shares and recommend that holders of Units and Preference Shares vote "FOR" the ordinary resolution approving the amendments to the UAR Plan as described in Schedule E. Persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, will vote such proxy "FOR" the ordinary resolution.

The proposed amended UAR Plan will be available for review at the registered office of the Fund at Suite 2630, 100 King Street West, Toronto, ON, M5X 1E1.

### **(b) Increasing the number of Directors' Deferred Unit Grants issuable under the Fund's Directors' Deferred Compensation Plan**

#### **General Background**

At the Meeting, the holders of Units of the Fund and the holders of Preference Shares will be requested to consider an ordinary resolution approving an amendment to the Fund's Director's Deferred Compensation Plan (the "DUG Plan"), which was originally approved by the holders of Units of the Fund and the holders of Preference Shares of OESC on June 29, 2004. The DUG Plan, which was also approved by the TSX is described in note (7) on page 5 of this Information Circular and is an integral component of the Fund's compensation policy for the non management directors of OESC. See "Compensation of Outside Directors" on page 10 of this Information Circular.

Each outside director is required to take a minimum of \$15,000 of the annual base retainer in DUGs and may elect to take all or a portion of the balance of their remaining annual fees in DUGs, in each case pursuant to the DUG Plan. The issue of DUGs as part of the retainer required to be taken by outside directors in lieu of cash aligns the interests of the outside directors with those of Unitholders, provides effective incentives for the non management directors to promote the business and success of the Fund by encouraging, indirectly, the ownership of Units and assists the outside directors in meeting the minimum ownership requirements.

#### **Proposed Amendment to the DUG Plan**

If approved, the DUG Plan will be amended to increase the number of DUGs which the Fund is authorized to issue to the outside directors by 100,000 to 200,000.

Since the DUG Plan was approved, the Fund has, prior to April 1, 2009, granted 68,432 fully paid DUGs to directors of 100,000 initially authorized DUGs. Accordingly, the Fund is requesting the DUG Plan be amended to authorize the Fund to issue up to an additional 100,000 fully paid DUGs and to make application to the TSX to list an equivalent number of Units.

The proposed amendment is subject to the acceptance by the TSX.

The policies of the TSX require the amendment to the DUG Plan be approved by a majority of the votes cast at the Meeting other than votes attaching to Units beneficially owned by directors to whom DUGs may be issued pursuant to the DUG Plan and associates of such insiders. DUGs do not carry a right to vote but entitle the holders to distributions equal to all regular and special distributions paid to the holders of Units. If the TSX or the holders of Units and Preference Shares represented at the Meeting in person or by proxy do not approve the ordinary resolution, 100% of the directors' fees will be paid in cash when the remaining inventory of 31,568 DUGs is depleted. As at March 31, 2009 a total of \$839,000 of directors fees have been paid in the form of 61,616 DUGs since the DUG Plan was implemented in 2004.

#### **Ordinary Resolution**

At the Meeting, Holders of Units and Preference Shares (other than those excluded from voting) will be asked to consider and, if deemed advisable, pass an ordinary resolution approving the amendment to the DUG Plan as described in Schedule F. The text of the ordinary resolution is attached to this Information Circular in Schedule F and must be approved by at least 51% of the votes cast by Holders of Units and Preference Shares

represented in person or by proxy at the Meeting excluding the votes relating to Units held by persons who are directors of OESC to whom DUGs may be issued pursuant to the DUG Plan.

### **Directors' Recommendation**

**The Directors, who approved the Ordinary Resolution on February 6, 2009 determined that the Ordinary Resolution is in the best interest of the Fund, its Unitholders and the holders of Preference Shares and recommend that holders of Units and Preference Shares vote "FOR" the Ordinary Resolution approving the amendment to the DUG Plan as described in Schedule F. Persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, will vote such proxy "FOR" the Ordinary Resolution.**

The proposed amended DUG Plan will be available for review at the registered office of the Fund at Suite 2630, 100 King Street West, Toronto, ON, M5X 1E1.

**(c) Special Resolution of the Fund to amend the Fund's Declaration of Trust to create special voting rights for the holders of Exchangeable Securities.**

### **General Background**

The Directors have determined to place before the holders of Units of the Fund and the holders of Preference Shares a special resolution (the "Special Resolution") approving amendments to the Declaration of Trust as described below.

The authorized capital of the Trust currently consists of an unlimited number of Trust Units and Special Units and the Declaration of Trust provides voting rights to the holders of Trust Units and holders of Preference Shares. In order to provide for further flexibility in acquisition opportunities, including to facilitate the Fund's proposed acquisition of Universal Energy Group Ltd., the Directors recommend amending the Declaration of Trust to authorize the creation of an unlimited number of Special Voting Rights.

If the Special Resolution is approved and the amendments become effective, Special Voting Rights will only be issuable in connection with the issue of shares, partnership units or other securities ("Exchangeable Securities") of any direct or indirect subsidiary of the Fund that are convertible into or exchangeable for Trust Units (directly or indirectly). The Special Voting Right(s) will entitle the holder(s) thereof to such number of votes at meetings of Unitholders as may be prescribed by the Directors in the resolution authorizing the issuance of any such Special Voting Rights, provided that the aggregate number of votes may not exceed the aggregate number of Trust Units into which the associated Exchangeable Securities are, directly or indirectly, exchangeable or convertible. Holders of Special Voting Rights would have no rights (including rights to distributions from the Fund or interest in any assets of the Fund) other than the right to vote at meetings of Unitholders.

Exchangeable securities transactions are commonly used in securities exchange acquisitions by income trusts, such as the Fund's proposed acquisition of Universal Energy Group Ltd., to provide selling securityholders of the acquired company with the opportunity to obtain a deferral for Canadian income tax purposes on the sale of the securityholder's securities until the exchangeable securities are exchanged for trust units of the income trust. In order that the exchangeable securityholders are, as near as possible, put in the same position they would be in if they held trust units of the income trust, it is common to allow the holders of such exchangeable securities to vote at meetings of unitholders of the income trust.

### **Special Resolution**

At the Meeting, Holders of Units and Preference Shares will be asked to consider and, if deemed advisable, pass the Special Resolution approving the amendment to the Declaration of Trust as described in Schedule G. The text of the Special Resolution is attached to this Information Circular in Schedule G and must be approved by more than 66 $\frac{2}{3}$ % of the votes cast by Holders of Units and Preference Shares represented in person or by proxy at the Meeting.



## Directors' Recommendations

The Directors have determined that the Special Resolution is in the best interest of the Fund, its Unitholders and the holders of Preference Shares and recommend that holders of Units and Preference Shares vote "FOR" the Special Resolution approving the amendment to the Declaration of Trust as described in Schedule G. Persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, will vote such proxy "FOR" the Special Resolution.

## COMPENSATION OF THE DIRECTORS AND OFFICERS OF OESC

### Compensation of Outside Directors

#### Director Compensation Table

The following table indicates the compensation paid by OESC to outside directors for the year ended March 31, 2009. The two management directors, Rebecca MacDonald and Ken Hartwick do not receive any fees or benefits for serving as director.

Name of Director	Fees Earned <sup>(1)</sup>	Unit Based Awards <sup>(2)</sup>	Option Based Awards <sup>(3)</sup>	Non-Equity Incentive Plan Compensation <sup>(4)</sup>	Pension Value <sup>(4)</sup>	All Other Compensation <sup>(5)</sup>	Total Compensation <sup>(6)</sup>
John A. Brussa	\$ 70,000	\$15,000	NIL	NIL	NIL	NIL	\$ 85,000
Gordon D. Giffin <sup>(5)</sup>	NIL	\$81,500	NIL	NIL	NIL	\$22,870	\$104,370
Ronald V. Joyce <sup>(3)</sup>	\$ 37,731	\$ 9,742	\$45,543	NIL	NIL	NIL	\$ 93,016
Michael J.L. Kirby	\$ 86,500	\$15,000	NIL	NIL	NIL	NIL	\$101,500
R. Roy McMurtry	\$ 62,500	\$15,000	NIL	NIL	NIL	NIL	\$ 77,500
Hugh D. Segal	\$130,000	\$15,000	NIL	NIL	NIL	NIL	\$145,000
Brian R.D. Smith	\$ 39,000	\$60,000	NIL	NIL	NIL	NIL	\$ 99,000

#### Notes:

- (1) The annual base retainer for outside directors is \$50,000. In addition, each director who is not a member of management receives a \$2,000 attendance fee for each board and committee meeting attended, \$3,000 for each board strategy session attended and is reimbursed for out-of-pocket expenses for attending directors', committee and strategy meetings. The Chair of the Audit Committee receives an additional annual fee of \$10,000 for serving as Chair and the other members of the Audit Committee receive an annual retainer of \$5,000 each. The Chair of each of the Compensation and Human Resources Committee, the Risk Committee and the Nominating and Corporate Governance Committee receives an additional annual fee of \$5,000. The Vice Chair of the Risk Committee receives an additional fee of \$2,500. The lead director receives an additional annual fee of \$40,000. All fees are payable quarterly in arrears. Reflects the cash portion of the fees earned by directors.
- (2) Reflects the \$ value of all DUGs credited to a directors DUG account in lieu of cash compensation. Directors are required to receive, at a minimum, \$15,000 of their annual base retainer in DUGs and may elect to take all or a portion of the balance of their base retainer, attendance, Chair (including Lead Director), and Vice Chair fees in DUGs, in each case, pursuant to the Directors' Deferred Compensation Plan referred to in note (7) on pages 5 and 6 of this Information Circular. At March 31, 2009 the non-management directors owned a total of 62,530 DUGs.
- (3) Mr. Joyce was elected a director on August 7, 2008 and was granted 50,000 options at an exercise price of \$12.70 per Unit. All options granted to the outside directors are exercisable for an equivalent number of Units for a period of five years from the grant date and vest as to one third thereof on the first, second and third anniversary of the grant date. See Fund Unit Option Plan on page 29 of this Information Circular. On February 6, 2009 the board of directors adopted, as a Policy of the Fund, that no further options be granted to directors.
- (4) There are no non-equity incentive plan, pension plan or other similar arrangements for directors.
- (5) Mr. Giffin receives a US \$20,000 annual retainer for serving as a director of all of the Fund's U.S. operating subsidiaries.
- (6) OESC has issued indemnities to each of its directors and officers as permitted under applicable legislation and has purchased a directors' and officers' liability insurance policy for the directors and officers of all direct and indirect subsidiaries of the Fund. The annual aggregate premium for such insurance was \$150,498 including tax (for the policy period to May 21, 2009) and is paid in its entirety by OESC. The annual insurance coverage under the policy is limited to \$25 million (per claim and in the aggregate each policy year) and is subject to a \$100,000 self-insured retention for the corporate reimbursement section only. OESC does not maintain any programs pursuant to which it makes donations to charitable institutions in a director's name.



The fees paid to directors and all other arrangements including indemnities, directors and officers insurance and DUGs are approved by the board of OESC based on the recommendations of the Nominating and Corporate Governance Committee and are as described in the above Table and the notes thereto. In addition to the compensation paid to directors the board of OESC has adopted a policy regarding ownership requirements for outside directors which is described below.

#### Ownership of Securities by Outside Directors

Each outside director is required, as a policy of the Fund, to own at each quarter end a number of Units and/or DUGs having a value based on the trading price of the Units on the TSX equal to \$70,000. Each director is compliant with the current \$70,000 minimum holding requirement which, as a policy of the Fund, has been increased; (a) to two times the base retainer (i.e., to \$100,000) by November 7, 2009 and (b) to three times the base retainer (i.e., to \$150,000) by March 31, 2011.

The following Table indicates the total value of Units and DUGs beneficially owned, directly or indirectly, by all non-management directors of OESC at March 31, 2009, based on the closing TSX market price for Units on April 30, 2009.

Name of Director	Units #	Total Market Value of Units <sup>(1)</sup>	DUGs #	Total Market Value of DUGs <sup>(1)</sup>	Total Market Value of Units and DUGs <sup>(1)</sup>
John A. Brussa	75,000	\$ 912,000	5,330	\$ 64,813	\$ 976,813
Gordon D. Giffin	—	—	19,185	\$233,290	\$ 233,290
Ronald V. Joyce	7,965,362	\$96,858,802	1,028	\$ 12,500	\$96,871,302
Michael J.L. Kirby	25,776	\$ 313,436	5,619	\$ 68,327	\$ 381,763
R. Roy McMurtry	6,535	\$ 79,466	2,323	\$ 28,248	\$ 107,714
Hugh D. Segal	11,960	\$ 145,434	5,908	\$ 71,841	\$ 217,275
Brian R.D. Smith	11,097	\$ 134,940	23,137	\$281,346	\$ 416,286

- (1) The closing TSX market value for Units of the Fund on April 30, 2009 was \$12.16 which closing price is also ascribed to DUGs which, if exchanged for Units, would be effected on a 1:1 basis.
- (2) Ownership requirements for the directors who are also NEO's are described in section (3) of note (16) to the Summary Compensation Table — NEOs on page 28 of this Information Circular.

### Options and Unit Based Awards — Outside Directors

The following table indicates information with respect to all options and Unit based awards to acquire Units of the Fund held by the outside directors of OESC at March 31, 2009:

Name of Director	Number of Units underlying unexercised options	Option exercise price \$	Option expiration date	Value of unexercised in the money options \$	DUG-based Awards — Number of DUGs that have not vested <sup>(2)</sup>	
					#	Market or pay out value of DUGs that have not vested <sup>(3)</sup> \$
John A. Brussa <sup>(1)</sup>	NIL	N/A	N/A	N/A	3,007	31,874
Gordon D. Giffin	50,000	17.47	June 29, 2011	NIL	19,185	203,361
Ronald V. Joyce	50,000	12.70	August 7, 2013	NIL	1,028	10,897
Michael J.L. Kirby <sup>(1)</sup>	NIL	N/A	N/A	N/A	3,070	32,542
R. Roy McMurtry	50,000	15.09	June 28, 2012	NIL	2,323	24,624
Hugh D. Segal <sup>(1)</sup>	NIL	N/A	N/A	N/A	3,137	33,252
Brian Smith <sup>(1)</sup>	NIL	N/A	N/A	N/A	18,230	193,238

(1) All options exercised prior to April 1, 2008.

(2) Reflects DUGs credited to the account of each director in lieu of cash retainer which have not vested. See note (7) on page 5 of this Information Circular.

(3) Reflects the market value based on March 31, 2009 TSX closing market price of \$10.60.

(4) Information respecting directors who are also NEOs is included on page 29 of this Information Circular.

### Unit Based Awards, DUG Based Awards and Non-Equity Incentive Plan Compensation — Outside Directors

The following table indicates information with respect to all incentive plan awards for the outside directors for the year ending March 31, 2009.

Name of Director	Unit based awards — value vested during the year \$	DUG based awards — value vested during the year <sup>(2)</sup> \$	Non-equity incentive plan compensation — value earned during the year \$
John A. Brussa	NIL	12,158	NIL
Gordon D. Giffin	NIL	—	NIL
Ronald V. Joyce	NIL	—	NIL
Michael J.L. Kirby	NIL	13,833	NIL
R. Roy McMurtry	NIL	—	NIL
Hugh D. Segal	NIL	16,260	NIL
Brian Smith	NIL	25,323	NIL

(1) Information respecting directors who are also NEOs is included on page 29.

(2) Based on the TSX closing market price of \$10.60 on March 31, 2009.

**STATEMENT OF EXECUTIVE COMPENSATION**  
(in respect of the financial year of the Fund ending on March 31, 2009)

**COMPENSATION DISCUSSION AND ANALYSIS**

**Compensation Objectives and Components — General**

Compensation for the OESC Named Executive Officers (“NEOs”) (listed in the Summary Compensation Table on page 26 of this Information Circular), is established by the Compensation and Human Resources Committee (the “Committee”) and is principally reflected in each of their respective employment agreements, all of which have been approved by the Committee and the Board. The Committee’s compensation philosophy is guided by its objectives to obtain and retain qualified and experienced executives motivated to achieve the Fund’s business plans, strategies, goals and growth targets.

NEO compensation includes one or more of the following components: (i) a base salary; (ii) for certain NEOs, an annual discretionary performance bonus based on achieving operating performance targets or objectives, targeted growth levels, distributable cash, distributions, margins, renewals, attrition other performance factors; (iii) for all NEOs — an annual non-discretionary incentive bonus based upon the achievement by the Fund of targeted levels of incremental adjusted distributable cash flow (as defined below); (iv) for all NEOs — the use of fully paid unit appreciation rights (“UARs”) in lieu of cash bonus entitlements to further align the goals and interests of NEOs with Unitholders and which serve as a useful retention tool; (v) the use of options (“Options”); (vi) employee benefit plans; (vii) Unit ownership requirements; and (viii) Residuals (defined below).

While Options are available to the Committee to provide a longer-term incentive for executives to enhance Unitholder value they have not been used as a component of NEO compensation in the past year and, in the view of the Committee, Options are not likely to be used for the foreseeable future as a component of NEO compensation. Each NEO’s performance and related salary level, annual discretionary performance bonuses, annual non-discretionary targeted incentive bonuses and the use of UARs and Unit ownership requirements, are reviewed annually by the Committee in conjunction with the Executive Chair and the President and Chief Executive Officer of OESC. NEO compensation packages are subject to the approval of the Committee and the full Board.

All of the above compensation components and the decisions of the Committee about each component have an affect on the Committee’s decisions regarding the other components. For example, the base salary for two of the NEO’s i.e., Messrs. Pritchett and Roche is significantly less than the base salaries for Ms. MacDonald and Mr. Hartwick in view of the larger targeted non-discretionary bonus opportunities made available to Messrs. Pritchett and Roche based on the achievement by the Fund of targeted levels of annual RCE and CCE growth for which they have significant responsibility. “RCE” means residential customer equivalent, which is a unit of measurement equivalent to a customer using, as regards natural gas, 2,815 m<sup>3</sup> (or 106 GJs or 1,000 therms) of natural gas on an annual basis and as regards electricity 10,000 kWh of electricity on an annual basis which represents the approximate amount of gas and electricity, respectively, used by a typical household in Ontario. “CCE” means a commercial customer equivalent obtained from an Independent Contractor Office, which is a unit of measurement equivalent to a customer using, as regards natural gas, 2,815 m<sup>3</sup> (or 106 GJs or 1,000 therms) of natural gas on an annual basis and as regards electricity 10,000 kWh of electricity on an annual basis which represents the approximate amount of gas and electricity, respectively, used by a typical household in Ontario.

All of the compensation components together are intended to, meet the Committee’s compensation objectives, which have allowed the Fund to attract and retain qualified and experienced NEOs who are motivated to achieve the Fund’s business plans, strategies, goals and growth targets.

A more detailed description of the compensation components for the Fund's NEO's is as follows:

### **Compensation Components — Specific Criteria**

*Base Salary:* The base salary of each executive is intended to remunerate each NEO for discharging job responsibilities as set forth in their respective employment contracts and reflects, in the case of the Executive Chair and the President and Chief Executive Officer, their performance over time. Each of the NEOs has a detailed job description setting out the individual's duties and responsibilities. Salary levels and adjustments take into account performance contributions in connection with their specific duties and responsibilities as outlined in their respective employment contracts and position descriptions.

The base salary levels are set out in each NEO's employment contract, the terms of which are described below under the heading "NEO Employment Agreement" on pages 15 to 22 of this Information Circular and all of which are approved by the Committee and the Board. While the President and Chief Executive Officer is requested to provide to the Committee his recommendations on salary increases for the other NEOs, the Committee and the Board make the final determination on the annual base salary increases for all NEOs. Base salaries for all NEOs are reviewable annually and recognize the NEO's experience, responsibility, contribution and performance goals and are based on the Committee's subjective assessment of market value. Base salaries also take into account the other components of an NEO's total compensation package. Management has determined that in the current economic environment it is prudent that base salaries for all NEOs be maintained at the March 31, 2009 levels for the fiscal year of the Fund commencing April 1, 2009. For the same reasons, base salaries for virtually all other employees were also frozen by the management group at the March 31, 2009 year end levels.

*Annual Discretionary Performance Bonus:* An annual discretionary performance bonus may be granted by the Committee to the Executive Chair, the President and Chief Executive Officer and the Chief Financial Officer based on the general performance factors as described above. The annual performance bonus for the other two NEOs (i.e., Messrs. Pritchett and Roche) are not discretionary, but rather is based on the achievement of targeted growth of the Fund's customer base.

*Annual Incentive Bonus Component — Incremental Adjusted Distributable Cash Flow:* To align the interests of the NEOs with those of Unitholders, who have an interest in the maintenance of and increases in the amount of cash distributions on Units, the Committee introduced an annual incentive bonus which is based on the achievement of targeted levels of incremental adjusted distributable cash flow of the Fund, which is one of the principal drivers in determining the level of distributions payable by the Fund on its Units. "Incremental adjusted distributable cash flow" means the year over year percentage increase in adjusted distributable cash flow which is defined, with respect to a financial year of the Fund as an amount equal to the distributable cash for such financial year (i.e. seasonally adjusted gross margin, adjusted for cash items including general and administrative expenses, marketing expenses, capital tax, bad debts, other income/expenses and corporate taxes), plus all direct commissions paid to the Fund's selling agents for such financial year less all distributable cash relating to any acquisition made, directly or indirectly, by the Fund of energy contracts or other assets but including all distributable cash relating to the renewal by the Fund of energy contracts purchased pursuant to any such acquisition, all as derived or determined from the year end audited consolidated audited financial statements for the Fund as approved by the Board of Directors.

*Fund Option Grants:* The Committee is responsible for awarding Options to directors and employees pursuant to the Fund's 2001 Unit Option Plan. The Option grants provide a longer-term incentive to pursue significant performance for the Fund and cash flow growth. At March 31, 2009 the President and Chief Executive Officer is the only NEO who holds Options. As at March 31, 2009 the Fund has 808,666 remaining Options available for grant under the Plan. As discussed above the Committee has no plans to grant additional Options to the NEOs for the foreseeable future.

*Employee Loans:* The Committee has established a policy to prohibit loans to employees or directors. There are no loans outstanding.

*UARs:* The Committee awards fully paid UARs to the NEOs pursuant to their employment agreements and the Unit Appreciation Rights Plan (described under the heading “Unit Appreciation Rights Plan” on page 30 in this Information Circular). The Committee has used and will continue to use fully paid UARs, which normally vest over a three year period, to provide the Fund with a mechanism of capitalizing payments which senior executives of the Fund would otherwise receive in the form of cash as part of their annual discretionary performance bonus, annual non-discretionary targeted incentive bonuses and other compensation entitlements, thereby encouraging such persons to continue in the long-term service of the Fund and aligning the interests of all NEOs with holders of Units. For three of the five current NEOs, at least 50% of all annual discretionary performance bonuses and 100% of all annual non-discretionary targeted incentive bonuses are payable in fully paid UARs which, except for those granted based on an NEO’s election to receive UARs in lieu of a cash entitlement (which vest immediately), vest on the first, second and third anniversary of the grant date, subject to continued employment with OESC or an affiliate thereof on each applicable vesting date and have a 10 year term. UARs are exchangeable into Units on a 1:1 basis subject to vesting and continued employment on each applicable vesting date.

*Retention and Incentive UARs:* Because of the competitive nature of the Fund’s business and employee mobility in the Fund’s business sector, the Committee uses UARs to encourage NEO retention and to incentivize NEO’s. 10,000 fully paid UARs (vesting over three years subject to continuing employment on each applicable vesting date) were made available by the Committee to the Chief Financial Officer on the commencement of her employment on February 16, 2009.

*Employee Benefit Plans:* On October 1, 2004 and effective April 1, 2004, the Fund established a long-term incentive plan (the “Plan”) for all permanent full time and part time Canadian employees (working more than 20 hours per week) of its affiliates and subsidiaries. The Plan consists of two components, a Deferred Profit Sharing Plan (“DPSP”) and an Employee Profit Sharing Plan (“EPSP”). For participants of the DPSP, the Fund contributes an amount equal to a maximum of 2% per annum of an employee’s base earnings. For the EPSP, the Fund contributes an amount up to a maximum of 2% per annum of an employee’s base earnings towards the purchase of Units, on a matching one for one basis. Except for the Executive Chair, all other NEO’s participate in the DPSP and EPSP. See note (13) to the Summary Compensation Table on page 28 of this Information Circular.

*Residuals:* As a significant sales incentive, OESC pays commissions and loyalty payments (“Residuals”), to its independent contractors based on the sales of energy contracts by independent contractors recruited, trained, motivated and supervised by them long after such contracts are sold. While not part of the NEO compensation packages, two of the NEOs who were formerly independent national distributors (Messrs. Pritchett and Roche), and who joined OESC as executives during 2008, received prior to March 31, 2009 Residuals earned by each of them prior to and after April 1, 2008. See note (15) to the Summary Compensation Table on page 28 of this Information Circular.

*Unit Ownership:* Except for the Executive Chair who owns in excess of 5% of the outstanding Units of the Fund (fully diluted), each of the other four NEO’s is required to hold securities of the Fund (UARs and Units) representing a minimum market value by certain specified dates, further aligning the interests of the NEOs with the interests of Unitholders. See note (16) to the Summary Compensation Table on page 28 of this Information Circular.

## **NEO Employment Agreements**

**General:** The employment agreements for each NEO contain terms and conditions dealing with: (i) financial compensation (see below on pages 16 to 22 of this Information Circular), (ii) termination rights (see under the heading “Termination Events or Circumstances” on pages 23 to 25 of this Information Circular), (iii) payments, benefits and obligations arising on termination (see under the heading “Termination Payments and Benefits” on pages 24 to 26 of this Information Circular), and (iv) other conditions relating to Unit ownership, non compete and non solicitation covenants (see under the heading “Employment Agreements — Other Terms, Conditions and Obligations” on page 25 of this Information Circular).

## Rebecca MacDonald — Executive Chair

### 1. Employment Agreement and Amendments

Ms. MacDonald's employment agreement as Executive Chair was entered into on April 1, 2006 for a period of five years expiring on March 31, 2011. It has been amended twice: (a) on March 1, 2008 to: (i) change her position to Executive Chair and Co-Chief Executive Officer and (ii) provide for a revised non-discretionary incentive bonus entitlement matrix based on several targeted levels of incremental adjusted distributable cash flow of the Fund for the year ending March 31, 2009; and (b) on June 25, 2008 to: (i) relinquish her role as Co-Chief Executive Officer and retain her role as Executive Chair and (ii) provide for a right of termination should irreconcilable differences arise with new management after a Change of Control event.

### 2. Compensation Components

Pursuant to her employment agreement, as amended, as approved by the Committee and the Board, Ms. MacDonald is entitled to:

- (a) **Base Salary:** A base salary of \$500,000 subject to an upward adjustment, if any, based on an annual review by the Committee. Ms. MacDonald's base salary is to remain at \$500,000 for the year ending March 31, 2010 in view of: (i) the decision by the Committee to accept management's recommendation to freeze base salaries for the 2010 financial year of the Fund in the context of the economic environment, (ii) the factors set forth above which the Committee considered relevant and (iii) in the context of the total compensation received by Ms. MacDonald for the 2009 financial year.
- (b) **Annual Discretionary Performance Bonus:** An annual discretionary performance bonus of up to 100% of base salary based on a subjective review by the Committee of: (i) criteria and factors considered relevant by the Committee including those set forth in her employment agreement (i.e., unit value, board leadership, energy supply, RCE/CCE growth, distributable cash (excluding commissions paid to agents), gross margins, renewals/attrition, balancing and credit issues); (ii) her success in carrying out her duties and responsibilities as set forth in her employment agreement; (iii) her success in carrying out the special functions listed in her Position Description as Executive Chair of the Board of Directors; and (iv) other factors (i.e., overseeing the transition from February 2008 to July of 2008 of Ken Hartwick to Chief Executive Officer), all as determined by the Committee. Based on the Committee's subjective assessment of the degree to which the above-noted criteria which the Committee was directed to take into account and considered relevant (see section 2(b) above), the Committee awarded Ms. MacDonald an annual discretionary performance bonus of 100% of base salary or \$500,000 payable as to: (i) \$250,000 in cash and (ii) \$250,000 in fully paid in UARs (23,562 UARs) with a 10 year term, vesting as to  $\frac{1}{3}$  on each of March 31, 2010, 2011 and 2012 subject to continuing employment on each applicable vesting date.
- (c) **Annual Targeted Non-Discretionary Incentive Bonus:** An annual targeted non-discretionary incentive bonus based upon the achievement by the Fund of various levels of incremental adjusted distributable cash flow for the year ended March 31, 2009 as determined by the matrix opposite, payable as to 100% in fully paid UARs with a 10 year term and vesting over a three year period, subject to continued employment on each applicable vesting date. Based on the achievement by the Fund of a 12% incremental adjusted distributable cash flow as determined from the Fund's audited consolidated financial statements for the year ended March 31, 2009, the Committee granted Ms. MacDonald an incentive bonus of \$900,000 in accordance with her entitlement pursuant to the matrix opposite paid as to 100% in the form of 84,825 UARs granted by the Committee with a 10 year term vesting as to  $\frac{1}{3}$  thereof on each of March 31, 2010, 2011 and 2012, subject to continued employment on each applicable vesting date. The amounts and target levels are to remain the same for the year ending March 31, 2010.

<b>Incremental Adjusted Distributable Cash Flow</b>	<b>Incentive Bonus Amount</b>
3%	\$150,000
6%	\$300,000
9%	\$600,000
12%	\$900,000
15%	\$1,200,000
18% and above	\$1,500,000



- (d) **Options:** Subject to the Committee’s discretion. None awarded.
- (e) **UARs:** Ms. MacDonald received a total of 108,387 UARs as part of her discretionary and non discretionary bonus entitlements.

**Ken Hartwick — President and Chief Executive Officer**

**1. Employment Agreement and Amendments**

Mr. Hartwick’s employment agreement as President was entered into on April 1, 2006 for a period of five years expiring on March 31, 2011. It has been amended twice: (a) on March 1, 2008 to: (i) change his position to President and Co-Chief Executive Officer and (ii) provide for a revised non-discretionary incentive bonus entitlement matrix based on the achievements of several targeted levels of incremental adjusted distributable cash flow of the Fund for the year ending March 31, 2009; and (b) on August 7, 2008 to: (i) confirm his appointment as President and Chief Executive Officer effective June 25, 2008 and (ii) provide for a right of termination should irreconcilable differences arise with new management after a Change of Control event.

**2. Compensation Components**

Pursuant to his employment agreement, as amended, as approved by the Committee and the Board, Mr. Hartwick is entitled to:

- (a) **Base Salary:** A base salary of \$600,000 subject to an upward adjustment, if any, based on an annual review by the Committee. Mr. Hartwick’s base salary is to remain at \$600,000 for the year ending March 31, 2010 in view of: (i) the decision by the Committee to accept management’s recommendation to freeze base salaries for the 2010 financial year of the Fund in the context of the economic environment, (ii) the factors described above which the Committee considered relevant and (iii) in the context of the total compensation received by Mr. Hartwick for the 2009 financial year.
- (b) **Annual Discretionary Performance Bonus:** An annual discretionary performance bonus of up to 100% of base salary based on a subjective review by the Committee of: (i) criteria and factors considered relevant by the Committee including those set forth in his employment agreement (i.e., leadership, energy supply, RCE/CCE growth, distributable cash (excluding commissions paid to agents), gross margins, renewals/attrition, balancing and credit issues); (ii) his success in carrying out his duties and responsibilities as set forth in his employment agreement; (iii) his success in carrying out the special functions listed in his Position Description as Chief Executive Officer; and (iv) other factors (i.e., assisting in the transition from February 2008 to June 25, 2008 when he was appointed President and Chief Executive Officer), all as determined by the Committee. Based on the Committee’s subjective assessment of the degree to which the above-noted criteria which the Committee was directed to take into account and considered relevant (see section 2(b) above), the Committee awarded Mr. Hartwick an annual discretionary performance bonus of 100% of base salary or \$600,000 payable as to: (i) \$300,000 in cash (the “Cash Amount”) and (ii) \$300,000 in fully paid in UARs (28,275 UARs) with a 10 year term, vesting as to 1/3 on each of March 31, 2010, 2011 and 2012 subject to continuing employment on each applicable vesting date.
- (c) **Annual Targeted Non-Discretionary Incentive Bonus:** An annual targeted non-discretionary incentive bonus based upon the achievement by the Fund of various levels of incremental adjusted distributable cash flow for the year ended March 31, 2009 as determined by the matrix opposite, payable as to 100% in fully paid UARs with a 10 year term vesting over a three year period, subject to continued employment on each applicable vesting date. Based on the achievement by the Fund of a 12% incremental adjusted distributable cash flow of the Fund as determined from the Fund’s audited consolidated financial statements for the year ended March 31, 2009, the Committee granted Mr. Hartwick

<b>Incremental Adjusted Distributable Cash Flow</b>	<b>Incentive Bonus Amount</b>
3%	\$150,000
6%	\$300,000
9%	\$600,000
12%	\$900,000
15%	\$1,200,000
18% and above	\$1,500,000



an incentive bonus of \$900,000 in accordance with his entitlement pursuant to the matrix opposite paid as to 100% in the form of 84,825 UARs granted by the Committee with a 10 year term vesting as to 1/3 thereof on each of March 31, 2010, 2011 and 2012, subject to continued employment on each applicable vesting date. The amounts and target levels are to remain the same for the year ending March 31, 2010.

- (d) **Options:** Subject to the Committee’s discretion. None awarded.
- (e) **UARs:** Mr. Hartwick received a total of 113,100 UARs as part of his discretionary and non discretionary bonus entitlements.

**Beth Summers — Chief Financial Officer**

**1. Employment Agreement**

Ms. Summers’ employment agreement as Chief Financial Officer was entered into on February 16, 2009 for a period of five years and one and one half months expiring on March 31, 2014.

**2. Compensation Components**

Pursuant to her employment agreement, (as amended), as approved by the Committee and the Board, Ms. Summers is entitled to:

- (a) **Base Salary:** A base salary of \$390,000 subject to an upward adjustment, if any, based on an annual review by the Committee. Ms. Summers’ base salary is to remain at \$390,000 for the year ending March 31, 2010 in view of: (i) the decision by the Committee to accept management’s recommendation to freeze base salaries for the 2010 financial year of the Fund in the context of the economic environment, (ii) the factors described above which the Committee considered relevant and (iii) as Ms. Summers commenced her employment six weeks prior to the Fund’s March 31, 2009 year end.
- (b) **Annual Discretionary Performance Bonus:** An annual discretionary performance bonus of up to 50% of base salary based on a subjective review by the Committee of: (i) criteria and factors considered relevant by the Committee including those set forth in her employment agreement and to be agreed upon between Ms. Summers and the President and Chief Executive Officer; (ii) her success in carrying out her duties and responsibilities as set forth in her employment agreement; (iii) her success in carrying out the special functions listed in her Position Description as Chief Financial Officer; and (iv) other relevant criteria all as determined by the Committee. The annual discretionary performance bonus is payable as to 50% in fully paid UARs (with a 10 year term vesting over a three year period subject to continued employment) and 50% in cash (the “Cash Amount”) provided Ms. Summers may elect to receive all or any portion of the Cash Amount in fully paid UARs (with a 10 year term vesting immediately). Ms. Summers is not entitled to an annual discretionary performance bonus until the completion of the Fund’s year ended March 31, 2010.

- (c) **Annual Targeted Non-Discretionary Incentive Bonus:** An annual targeted non-discretionary incentive bonus based upon the achievement of various levels of incremental adjusted distributable cash flow of the Fund for the year ended March 31, 2009 as determined by the matrix opposite, payable as to 100% in fully paid UARs with a 10 year term vesting over a three year period, subject to continued employment on each applicable vesting date. Ms. Summers is not entitled to an annual targeted non-discretionary incentive bonus until the completion of the Fund’s year ended March 31, 2010.

<b>Incremental Adjusted Distributable Cash Flow</b>	<b>Incentive Bonus Amount</b>
3%	\$50,000
6%	\$75,000
9%	\$150,000
12%	\$225,000
15%	\$300,000
18% and above	\$500,000

- (d) **Options:** Subject to the Committee’s discretion. None awarded.

- (e) **UARs:** In addition to the UARs required to be taken in lieu of cash as part of Ms. Summers' annual discretionary performance bonus, she may elect to receive all or a portion of the Cash Amount in UARs. While Ms. Summers was not entitled to a performance bonus for the 1½ month period ending March 31, 2009, Ms. Summers was granted 10,000 fully paid UARs by the Committee on February 17, 2009 as a retention and signing bonus with a 10 year term vesting over three years, subject to continued employment on each applicable vesting date, having a value on the grant date of approximately \$108,000.

**Darren Pritchett — Executive Vice President — Consumer Sales**

**1. Employment Agreement and Amendment**

Mr. Pritchett's employment agreement as Executive Vice President — Consumer Sales of OESC was entered into on April 1, 2008 for a period of five years expiring on March 31, 2013. It was amended on April 1, 2009 to provide for a revised annual targeted non-discretionary RCE bonus matrix based on the achievement by the Fund of targeted levels of RCE growth for the year ended March 31, 2010 (see 2 (c) below).

**2. Compensation Components**

Pursuant to his employment agreement, (as amended), as approved by the Committee and the Board, Mr. Pritchett is entitled to:

- (a) **Base Salary:** A base salary of \$400,000 subject to an upward adjustment, if any, based on an annual review by the Committee. Mr. Pritchett's base salary is to remain at \$400,000 for the year ending March 31, 2010 in view of: (i) the decision by the Committee to accept management's recommendation to freeze base salaries for the 2010 financial year of the Fund in the context of the economic environment, (ii) Mr. Pritchett's duties and responsibilities as described in his employment agreement which the Committee considered relevant and (iii) in the context of the total compensation received by Mr. Pritchett for the year ended March 31, 2009 financial year.

- (b) **Annual Targeted Non-Discretionary Incentive Bonus:** An annual targeted non-discretionary incentive bonus based upon the achievement by the Fund of various levels of incremental adjusted distributable cash flow of the Fund for the year ended March 31, 2009 as determined by the matrix opposite, payable as to 100% in cash. Based on the achievement by the Fund of a 12% incremental adjusted distributable cash flow as determined from the Fund's audited consolidated financial statements for the year ended March 31, 2009, the Committee granted Mr. Pritchett an annual incentive bonus of \$600,000 in accordance with his entitlement pursuant to the matrix in section 2(b) above paid as to 100% in cash. The amount and target levels are to remain the same for the year ending March 31, 2010.

<b>Incremental Adjusted Distributable Cash Flow</b>	<b>Incentive Bonus Amount</b>
3%	\$100,000
6%	\$250,000
9%	\$400,000
12%	\$600,000
15%	\$850,000
18% and above	\$1,500,000

- (c) **Annual Targeted Non-Discretionary RCE Bonus:** An annual targeted non-discretionary RCE bonus based on the achievement by the Fund of various levels of targeted annual growth in the number of confirmed new RCEs for the year ended March 31, 2009 as determined by the matrix opposite. The bonus is payable as to 50% in fully paid UARs (with a 10 year term vesting over a three year period subject to continued employment on each applicable vesting date) and 50% in cash. Based on the annual added number of confirmed new RCEs's for the year ending March 31, 2009 the Committee awarded

<b>Annual Added Number of Confirmed New RCEs</b>	<b>Bonus per RCE \$</b>
235,000 to 274,999	2.00
275,000 to 314,999	3.50
315,000 to 354,999	5.00
355,000 to 394,999	6.00
395,000 and above	7.00

Mr. Pritchett an annual targeted non-discretionary RCE bonus of \$501,362 in accordance with his entitlement pursuant to the matrix in section 2(c) above, payable as to: (i) \$250,681 in cash and (ii) \$250,681 in fully paid UARs (23,626 UARs) with a 10 year term, vesting as to 1/3 on each of March 31, 2010, 2011 and 2012 subject to continuing employment on each applicable vesting date.

An amendment dated April 1, 2009 to Mr. Pritchett's employment agreement was approved by the Committee. His annual targeted non-discretionary RCE bonus entitlement for the year ended March 31, 2010 is to be determined based upon the above matrix payable as to 50% in fully paid UARs and 50% in cash.

- (d) **Options:** Subject to the Committee's discretion. None awarded.
- (e) **Residuals:** Prior to joining OESC as an employee on April 1, 2008, Mr. Pritchett was associated with OESC as an independent contractor during the 1999-2004 period, earning commissions on the sale of energy contracts to customers. Prior to April 1, 2008, as a regional and national distributor-recruiting, training, motivating and supervising commission based independent contractors — he earned commissions and loyalty payments on the sales of energy contracts pursuant to several national distributorship agreements to customers by persons whom he managed. Mr. Pritchett was entitled to receive \$636,064 related to Residuals earned during the year ended March 31, 2009.

**John Roche — Senior Vice President — North American Commercial Sales — Independent Contractors**

**1. Employment Agreement and Amendment**

Mr. Roche's employment agreement as Senior Vice President — North American Commercial Sales — Independent Contractors of OESC was entered into on November 1, 2008 for a period of five month and five years expiring on March 31, 2013. It was amended on April 1, 2009 to provide for a revised annual targeted non-discretionary CCE bonus matrix based on the achievement by the Fund of targeted levels of CCE growth for the year ended March 31, 2010 (see 2 (c) below).

**2. Compensation Components**

Pursuant to his employment agreement, (as amended), as approved by the Committee and the Board, Mr. Roche is entitled to:

- (a) **Base Salary:** A base salary of \$350,000 subject to an upward adjustment, if any, based on an annual review by the Committee. Mr. Roche's base salary is to remain at \$350,000 for the year ending March 31, 2010 in view of: (i) the decision by the Committee to accept management's recommendation to freeze base salaries for the 2010 financial year of the Fund in the context of the economic environment, (ii) Mr. Roche's duties and responsibilities as described in his employment agreement which the Committee considered relevant and (iii) in the context of the total compensation received by Mr. Roche for the year ended March 31, 2009 financial year. Mr. Roche's base salary was pro rated for the five months he served as an employee.

- (b) **Annual Targeted Non-Discretionary Incentive Bonus:** An annual targeted non-discretionary incentive bonus based upon the achievement by the Fund of various levels of incremental adjusted distributable cash flow for the year ended March 31, 2009 as determined by the matrix opposite, payable as to 100% in cash. Based on the achievement by the Fund of a 12% incremental adjusted distributable cash flow as determined from the Fund's audited consolidated financial statements for the year ended March 31, 2009, the Committee granted Mr. Roche an annual incentive bonus of \$525,000 (pro rated for five months to \$218,750) in accordance with his entitlement pursuant to the matrix opposite paid as to 100% in cash.

<b>Incremental Adjusted Distributable Cash Flow</b>	<b>% of Bonus Salary</b>	<b>Incentive Bonus Amount</b>
3%	25	\$87,500
6%	50	\$175,000
9%	100	\$350,000
12%	150	\$525,000
15%	200	\$700,000
18% and above	250	\$875,000

- (c) **Annual Targeted Non-Discretionary CCE Bonus:** An annual targeted non-discretionary CCE bonus based on the achievement by the Fund of various levels of targeted annual growth in the number of confirmed new CCEs for the year ended March 31, 2009 as determined by the matrix opposite. The bonus is payable as to 50% in fully paid UARs (with a 10 year term vesting over a three year period subject to continued employment on each applicable vesting date) and 50% in cash. Based on the achievement by the Fund of 111,500 confirmed new CCEs for the year ended March 31, 2009, the Committee granted Mr. Roche an annual targeted non-discretionary CCE bonus of \$302,500 (pro rated for five months to \$126,042) in accordance with his entitlement pursuant to the matrix in section 2(c) above paid as to 50% in cash and 50% in 5,939 fully paid UARs with a 10 year term, vesting as to 1/3 on each of March 31, 2010, 2011 and 2012 subject to continuing employment on each applicable vesting date.

Annual Added Number of Confirmed New CCEs	Bonus per CCE \$	CCE Bonus Amount \$
70,000 or greater	0.75	52,500
90,000 or greater	1.75	157,500
110,000 or greater	2.75	302,500
130,000 or greater	3.75	487,500
150,000 or greater	4.75	712,500

An amendment dated April 1, 2009 to Mr. Roche's employment agreement was approved by the Committee so that his annual targeted non-discretionary CCE bonus entitlement for the year ended March 31, 2010 is to be determined based upon the matrix opposite payable as to 50% in cash and 50% in fully paid UARs.

- (d) **Options:** Subject to the Committee's discretion. None awarded.
- (e) **Residuals:** Prior to joining OESC as an employee on November 1, 2008, Mr. Roche was associated with OESC as an independent contractor during the 2002-2004 period, earning commissions on the sale of energy contracts to commercial customers. Prior to November 1, 2008, as a regional and national distributor, recruiting, training, motivating and supervising commission based independent contractors, he earned commissions and loyalty payments on the sale of energy contracts pursuant to several national distributorship agreements to customers by persons whom he managed ("Residuals"). The Committee confirmed the payment to Mr. Roche of \$754,304 and 2,254 fully paid UARs (vesting over a period of five years subject to continued employment on each applicable vesting date with a 10 year term) related to Residuals earned during the year ended March 31, 2009

Annual Added Number of Confirmed New CCEs	Bonus per CCE \$	CCE Bonus Amount \$
Equal to or greater than		
90,000	0.75	67,500
110,000	1.75	192,500
140,000	2.75	385,000
170,000	3.75	637,500
200,000 and above	4.75	950,000

## Peter Bloch — Chief Financial Officer (until February 5, 2009)

### 1. Employment Agreement and Amendment

Mr. Bloch's employment agreement as Chief Financial Officer was entered into on January 2, 2008 for a period of three months and five years expiring on March 31, 2013. It was amended on May 5, 2008 to provide for a revised annual targeted non-discretionary incentive bonus entitlement matrix based on the achievement by the Fund of several targeted levels of incremental adjusted distributable cash flow of the Fund for the year ending March 31, 2009. Mr. Bloch resigned on February 5, 2009. See section 3 below.

## 2. Compensation Components

Pursuant to his employment agreement, (as amended), as approved by the Committee and the Board, Mr. Bloch was entitled to:

- (a) **Base Salary:** A base salary of \$350,000 subject to an upward adjustment, if any, based on an annual review by the Committee.
- (b) **Annual Discretionary Performance Bonus:** An annual discretionary performance bonus of up to 50% of base salary based on a review by the Committee of: (i) criteria and factors considered relevant by the Committee and CEO; (ii) his success in carrying out his duties and responsibilities as set forth in his employment agreement; (iii) his success in carrying out the special functions listed in his Position Description as Chief Executive Officer and payable as to 50% in fully paid UARs (with a 10 year term vesting over a three year period subject to continued employment) and 50% in cash (the “Cash Amount”) provided Mr. Bloch could have elected to receive all or any portion of the Cash Amount in fully paid UARs (with a 10 year term vesting immediately).
- (c) **Annual Targeted Non-Discretionary Incentive Bonus:** An annual targeted non-discretionary incentive bonus based upon the achievement by the Fund of various levels of incremental adjusted distributable cash flow of the Fund for the year ended March 31, 2009 as determined by the matrix opposite, payable as to 100% in fully paid UARs with a 10 year term vesting over a three year period, subject to continued employment on each applicable vesting date.
- (d) **Options:** Subject to the Committee’s discretion. None awarded

<b>Incremental Adjusted Distributable Cash Flow</b>	<b>Incentive Bonus Amount</b>
3%	\$50,000
6%	\$75,000
9%	\$150,000
12%	\$225,000
15%	\$300,000
18% and	\$500,000

## 3. Departure Agreement dated February 5, 2009

On February 5, 2009, Peter Bloch, who commenced employment on January 2, 2008 as Chief Financial Officer of OESC and its Affiliates resigned. Under the terms of his February 5, 2009 departure agreement, based on the provisions of his employment agreement he received: (i) a lump sum payment of one years salary (\$350,000), (ii) no annual discretionary performance bonus, (iii) the automatic vesting of 100% of his 1,665 UARs, (iv) accrued salary of \$5,385 and accrued vacation pay of \$6,058, in each case, to February 5, 2009; (v) a continuation of his medical/dental benefits package until February 4, 2010 and (vi) on May 22, 2009 he will receive a targeted non-discretionary incentive bonus payment of \$168,750 based on incremental adjusted distributable cash flow of the Fund pro rated for the nine month period ended December 31, 2008. He is also subject to a one year non compete/non solicitation covenant.



## TERMINATION, CHANGE OF CONTROL AND OTHER BENEFITS

Each of the NEO's employment agreements, which are described on pages 15 to 22 of this Information Circular, contain termination and change of control provisions (as defined below) and other benefits arising on termination. Each NEO's employment agreement provides for termination based on: (a) voluntary resignation, (b) constructive dismissal, (c) cause, (d) disability, (e) completion of term, and (f) change of control. In addition, the Executive Chair and President and Chief Executive Officer, may terminate each of their employment agreements based on the circumstances described in 1(g) below.

### 1. Termination Events or Circumstances

While the payment and other benefits resulting from a termination vary based on the terms of each NEO's employment agreement, the obligations and rights, whether exercisable by an NEO or by OESC, are generally the same, except as disclosed under the heading "Termination Benefits" in section 2 below.

Except as disclosed below, the termination provisions in each NEO's employment agreement provide that the employment relationship will end in the following events or circumstances:

- (a) **Voluntary Resignation.** Exercisable by the NEO on 60 days prior written notice to OESC;
- (b) **Constructive Dismissal.** Exercisable by the NEO on notice to OESC within 15 days of the happening of a constructive dismissal event or circumstance which includes: (i) constructive dismissal as interpreted by applicable law; (ii) the breach by OESC of its obligations under the employment agreement in any material respect; (iii) the bankruptcy or insolvency of OESC; or (iv) a change of control event;
- (c) **Cause.** Exercisable by OESC in the event of cause as interpreted by applicable common law, forthwith upon notice to the NEO;
- (d) **Disability.** Exercisable by the Board of Directors of OESC on notice to the NEO in the event of the inability of the NEO to perform the essential functions of his or her duties with reasonable accommodation;
- (e) **On Completion of Term.** Exercisable by the NEO, if 30 days prior to the expiry of the term of the employment agreement, OESC has not made an offer of employment in the form of an extension employment agreement containing terms and conditions no less favourable to NEO from a commercial standpoint as the terms and conditions of the NEO's then current employment agreement;
- (f) **Change of Control.** Exercisable by the NEO on written notice to OESC within 15 days after the expiry of a period of 120 days after the occurrence of the change of control event which is deemed to have occurred under each employment agreement if: (a) any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity, or any syndicate or group acting or presumed to be acting jointly or in concert, offers to acquire or acquires, directly or indirectly, units of the Fund ("Units") representing 50% or more of the outstanding Units; (b) assets of the Fund representing 50% or more of the net book value of the Fund, determined as of the date of the audited financial statements of the Fund then most recently published, are sold, liquidated or distributed; or (c) Unitholders approve, or the Fund consummates, any reorganization, amalgamation, arrangement, merger, business combination, consolidation, issuance of securities, sale of assets, liquidation, dissolution or winding-up, or any combination thereof (a "transaction"), and, as a result thereof, persons who are Unitholders immediately prior to such transaction would not, immediately thereafter, directly or indirectly, own securities representing de facto control of the reorganized, amalgamated, continuing, merged, surviving or consolidated entity.
- (g) **Irreconcilable Differences.** Exercisable by each of the Executive Chair and the Chief Executive Officer and President of OESC if, within the 120 day period referred to in section 1(f) above, in her/his sole discretion the NEO concludes (the "Conclusion") that irreconcilable differences exist with respect to the management, operations or direction of the business of OESC between the NEO and one or more senior executives of OESC who were not senior executives of OESC prior to the Change of Control event and were senior executives of the offeror or other merger or acquisition partner, then within 30 days of the termination of such 120 day period, providing a majority of the members of a committee

consisting of persons who were the Lead Director and Chair of each Committee of the Board of OESC prior to such change of control event, agree with such conclusion.

## 2. Termination Payments and Benefits

The termination benefits, entitlements and obligations of each NEO and/or OESC the termination events or circumstances described in section 1 above are as set forth below:

- (a) **Voluntary Resignation:** Each NEO is entitled:
  - (i) to be paid by OESC NEO's pro-rated salary and accrued vacation pay to NEO's departure date; and
  - (ii) to exercise or exchange, within 90 days of the NEO's departure date, NEO's vested Options and vested UARs, if any, pursuant to NEO's Option and UAR Agreement and the Fund's 2001 Unit Option Plan and 2004 UAR Plan as applicable.
- (b) **Constructive Dismissal:** Each NEO is entitled:
  - (i) to be paid by OESC an amount equal to the amounts described in 2 (a) (i) and to the rights in 2 (a) (ii) above;
  - (ii) to be paid by OESC an amount equal to one year's base salary, except in the case of Messrs. Pritchett and Roche who are entitled to be paid by OESC an amount equal to two and one half years base salary (Pritchett) and two years base salary (Roche);
  - (iii) at OESC's financial year end following the constructive dismissal event, to be paid by OESC an amount in cash equal to NEO's annual targeted non-discretionary bonus based on incremental adjusted distributable cash flow pro rated to the end of the financial quarter of the Fund immediately preceding the constructive dismissal event for the fiscal year of the Fund during which the constructive dismissal event occurred. In addition, each of Messrs. Pritchett and Roche are entitled to be paid by OESC at the same time, an amount in cash equal to their annual non discretionary targeted CCE bonus (Roche) and RCE bonus (Pritchett) pro rated to the end of the financial quarter of the Fund immediately preceding the constructive dismissal event for the fiscal year of the Fund during which the constructive dismissal event occurred;
  - (iv) to the accelerated and immediate vesting of all unvested Options and UARs and the right within 90 days of departure date to exercise and/or exchange all vested UARs and vested Options in each case for Units on a 1:1 basis; and
  - (v) the term of the NEO's non competition obligation is reduced from three years to one year from the departure date.
- (c) **Cause.** Each NEO
  - (i) is entitled to be paid by OESC the amounts in 2 (a) (i) and to the rights in 2 (a) (ii) above;
  - (ii) is not entitled to exchange or exercise any unvested UARs or Options.
- (d) **Disability.** Each NEO
  - (i) is entitled to be paid by OESC the amounts in 2 (a) (i) above and to the rights in 2 (a) (ii) above;
  - (ii) is entitled to continue as an employee after the departure date for the purpose solely of qualifying for long term disability, insurance or other similar benefits;
  - (iii) is entitled to the continued vesting of all unvested UARs notwithstanding NEO will not be an employee on each applicable vesting date and to exchange all UARs for Units on a 1:1 basis prior to the expiry of the term thereof; and
  - (iv) is entitled to exercise all options vested at the departure date.



(e) **Completion of Term.**

In the event a comparable offer of employment: (i) is made to NEO and NEO does not accept it at least 30 days prior to the expiry of the then current employment agreement, then the NEO's employment will terminate and NEO will be entitled to be paid by OESC the amounts in 2(a) (i) above and to the rights in 2 (a) (ii) above; or (ii) is not made in which event, (x) NEO will be entitled to be paid by OESC the amounts in 2(a) (i) and to the rights in 2 (a) (ii) above and all unvested Options and UARs will continue to vest on the applicable vesting dates and be exercisable and exchangeable into units prior to their termination date although NEO is no longer an employee of OESC, and (y) each of the Executive Chair, President and Chief Executive Officer and Chief Financial Officer shall be entitled to be paid by OESC, in cash, at a minimum 50%, of each such NEO's discretionary performance bonus opportunity and (z) the non compete covenant is reduced from three to one year for all NEOs.

(f) **Change Control.** Each NEO is entitled

- (i) to be paid by OESC an amount equal to the amounts described in 2 (a) (i) and to the rights in 2 (a) (ii) above;
- (ii) to the automatic vesting of all unvested UARs and Options;
- (iii) at OESC's financial year end following the change of control event, to be paid by OESC an amount in cash equal to NEO's annual targeted non discretionary bonus based on incremental distributable cash flow pro rated to the end of the financial quarter of the Fund immediately preceding the change of control event for the fiscal year of the Fund during which the change of control event occurred; and
- (iv) providing NEO continues his employment for 120 days after the change of control event, to terminate the employment agreement and, if such option is exercised, to be paid by OESC the amounts in 2 (b) (ii) and (iii) above other than the amount in 2 (f) (iii) above.

(g) **Irreconcilable Differences:**

Each of the Executive Chair and President and Chief Executive Officer is entitled to be paid by OESC in addition to the benefits under 2(b) and 2(f) above, a lump sum equal two times the average of the total compensation package (i.e. base salary, annual discretionary performance bonus and annual non-discretionary targeted incentive bonus) paid to NEO with respect to the two financial years of the Fund ending: (A) immediately prior to the change of control event or (B) during the 120 day period referred to in (f) (iv) above, whichever is later.

### **3. Employment Agreements — Other Terms, Conditions and Obligations**

The employment agreements for each of the NEOs contain other terms, conditions and obligations which relate to the financial compensation and the benefits/obligations arising on a termination of the employment relationship is as follows:

**Unit Ownership.** To align the interests of each NEO with those of unitholders, each NEO is required to own securities of the Fund (UAR and Units), by specified dates having a market value based on a multiple of their base salary. See note (16) on page 28 of the Summary Compensation Table.

**Non Competition Covenant.** During the course of the employment each NEO and for a period to three years after the termination of the employment relationship, each NEO is prohibited from competing directly or indirectly in a business which competes with the Fund except that the three year non compete period is abridged from three to one year in certain circumstances including constructive dismissal and termination at the end of the term.

**Non Solicitation Covenant.** For a period of three years during and after the termination of the employment relationship (howsoever caused) NEO may not solicit, contact or approach any supplier, customer or employee of the Fund for the purpose of soliciting business which is competitive to the Fund's business.

#### 4. Termination Benefits

Pursuant to the employment agreements between OESC and each NEO (described on pages 15 to 22 of this Information Circular), OESC is required to make certain payments upon the termination thereof (whether related to voluntary resignation, constructive dismissal, cause, disability, change of control and on completion of term) and as regards the Executive Chair and the President and Chief Executive Officer, in the event of irreconcilable differences arising with new management subsequent to a change of control event. Other than payments required to be made by OESC to NEOs on resignation, termination for cause, disability, and on completion of term, which are not material and are described above under the heading “Termination Payments and Benefits” on page 24 of this Information Circular, an estimate of the amount of the payments required to be made on constructive dismissal, a change of control and irreconcilable differences assuming the triggering event giving rise to such payments occurred on March 31, 2009 is set out in the table below.

Name of NEOs at March 31, 2009	Constructive Dismissal	Change of Control	Irreconcilable Differences
Rebecca MacDonald	\$1,400,000	\$1,400,000	\$5,100,000
Ken Hartwick	\$1,500,000	\$1,500,000	\$5,500,000
Beth Summers	\$ 390,000	\$ 390,000	NIL
Darren Pritchett	\$2,101,362	\$2,101,362	NIL
John Roche	\$1,527,500	\$1,527,500	NIL

Notes:

- (i) Amounts exclude the benefits based on the accelerated vesting of all unvested UARs and Options.
- (ii) The Table excludes Peter Bloch who resigned February 5, 2009.

#### SUMMARY COMPENSATION TABLE — NEOS

The following table sets forth all compensation, for the year ended March 31, 2009, received from the Fund and/or its affiliates by the individuals who were, at March 31, 2009: (i) the Chief Executive Officer, (ii) the Chief Financial Officer and (iii) the three other most highly compensated executive officers of the operating subsidiaries of the Fund and (iv) the former Chief Financial Officer for the period ending February 5, 2009 when he resigned.

Name and principal position	Year ended March 31	Base Salary (\$)	Unit option based awards <sup>(11)</sup> (\$)	Annual incentive plan awards				Pension value <sup>(10)</sup> (\$)	All other compensation <sup>(7)(13)</sup> (\$)	Total Compensation (\$)
				Discretionary performance Bonuses		Performance based targeted bonuses				
				(\$)	Equity based awards <sup>(9)(12)</sup> (\$)	(\$)	Equity based awards <sup>(9)(12)</sup> (\$)			
Rebecca MacDonald, Executive Chair <sup>(1)(2)(8)</sup>	2009	500,000	NIL	250,000	250,000	NIL	900,000	NIL	NIL	1,900,000
Ken Hartwick, President and CEO <sup>(1)(2)</sup>	2009	600,000	NIL	300,000	300,000	NIL	900,000	NIL	22,731	2,122,731
Beth Summers, CFO <sup>(1)(2)(3)</sup>	2009	45,000	NIL	NIL	NIL	NIL	NIL	NIL	109,800	154,800
Darren Pritchett, EVP — Consumer Sales <sup>(1)(2)(4)</sup>	2009	400,000	NIL	NIL	NIL	850,681	250,681	NIL	649,602 <sup>(15)</sup>	2,150,964
John Roche, SVP — North American Commercial Sales — Independent Contractors <sup>(1)(2)(5)</sup>	2009	145,833	NIL	NIL	NIL	281,771	63,021	NIL	754,304 <sup>(15)</sup>	1,244,929
Peter Bloch, CFO (until February 5, 2009) <sup>(1)(2)(6)</sup>	2009	309,615	NIL	NIL	NIL	168,750	NIL	NIL	368,442 <sup>(14)</sup>	846,407

Notes:

- (1) The amount of base salary for each Named Executive Officer disclosed in the above table reflects the amount actually received by each Named Executive Officer for the year ended March 31, 2009. The annual base salary for each Named Executive Officer in the above table for the one year ended March 31, 2009 is as follows: Rebecca MacDonald (\$500,000); Ken Hartwick (\$600,000); Beth Summers (\$390,000); Darren Pritchett (\$400,000); John Roche (\$350,000) and Peter Bloch (\$350,000).
- (2) **Rebecca MacDonald** became an officer of OESC on April 30, 2001. Prior thereto she held the same or similar positions with OESC or its predecessor. Effective April 1, 2006 she became Executive Chair of OESC and on March 1, 2008 she assumed the additional position as Co-Chief Executive Officer which she relinquished on June 25, 2008 to remain as Executive Chair. **Ken Hartwick, C.A.**, became Chief Financial Officer on April 5, 2004, was appointed President of OESC on March 9, 2006 and assumed the additional position as Co-Chief Executive Officer on March 1, 2008. He also served as Chief Financial Officer from July 5, 2007 to December 31, 2007 and Interim Chief Financial Officer from February 5, 2009 to February 16, 2009. Mr. Hartwick became Chief Executive Officer and President on June 25, 2008. **Beth Summers, C.A.** joined OESC as Chief Financial Officer on February 16, 2009. **Darren Pritchett** joined OESC as an independent contractor in October 1997 and later became a regional and national distributor before joining OESC as an employee as Executive Vice President, Consumer Sales on April 1, 2008. **John Roche** joined OESC as an independent contractor in 2001 and later became a regional and a national distributor before joining OESC as an employee as Senior Vice President, North American Commercial Sales — Independent Contractors on November 1, 2008. **Peter Bloch** joined OESC as Chief Financial Officer on January 2, 2008 and resigned on February 5, 2009. A detailed summary of the employment agreements for each of the Named Executive Officers in the above Table including the terms of the departure agreement for Peter Bloch are described under the heading “NEO Employment Agreements” commencing on page 15 of this Information Circular.
- (3) **Beth Summers, C.A.**, commenced employment with OESC as Chief Financial Officer on February 16, 2009 (the “Commencement Date”) at which time she was granted 10,000 UARs (which had a total TSX closing market value on February 17, 2009 of \$108,000 — \$10.80 per UAR), vesting as to 33⅓% on the first three anniversary dates (each a “Vesting Date”) of the Commencement Date subject to continuing employment on each applicable Vesting Date, with a 10 year term. She was not entitled to an annual discretionary performance bonus or to an annual targeted non discretionary incentive bonus for the six weeks ended March 31, 2009.
- (4) **Darren Pritchett** commenced employment with OESC as an employee on April 1, 2008 pursuant to a five year employment contract approved by the Compensation and Human Resources Committee and the Board of Directors of OESC and which is described in more detail under the heading “NEO Employment Agreements” on page 15 of this Information Circular.
- (5) **John Roche** commenced employment with OESC as an employee on November 1, 2008 pursuant to a five year employment contract described in more detail under the heading “NEO Employment Agreements” on page 15 of this Information Circular and approved by the Compensation and Human Resources Committee and the Board of Directors of OESC.
- (6) **Peter Bloch** resigned as Chief Financial Officer at which time he received: (i) \$5,385 of accrued base salary and \$6,058 of accrued vacation pay, (ii) \$350,000 equal to one years base salary and (c) will receive \$168,750 in cash on May 22, 2009 equal to his entitlement pursuant to his annual targeted non discretionary incentive bonus described under the heading “Departure Agreement dated February 5, 2009” on page 22 of this Information Circular.
- (7) The aggregate value of perquisites and other personal benefits did not exceed the lesser of \$50,000 and 10% of the total of the annual salary and bonus for each of the Named Executive Officers for the year ended March 31, 2009.
- (8) Pursuant to the OESC Shareholders’ Agreement, as a member of management of OESC and the remaining holder of Preference Shares in the capital of OESC (each Preference Share is exchangeable at the option of the holder into one Unit of the Fund), Ms. MacDonald is entitled to receive on a quarterly basis, a “special management incentive bonus” equal to the amount which she would have received had she been a holder of record on the record date for all distributions made on Units in respect of such quarter, on a number of Units equivalent to the number of Preference Shares held by her. In view of the nature of the above payments (including the payment of the December 31, 2008 special distribution paid to all unitholders of the Fund), made to the above Named Executive Officer, which in substance reflect the ownership of Units (based on the number of Preference Shares owned by Ms. MacDonald in OESC), the above table does not include the amounts paid to her pursuant to the special management incentive bonus and pursuant to the special distribution paid to holders of record of Units and Class A Preference Shares at December 31, 2008.
- (9) The non cash portion of the annual incentive plan awards to which each of Ms. MacDonald (\$1,150,000), Messer’s. Hartwick (\$1,200,000), Pritchett (\$250,681) and Roche (\$63,021) were entitled to receive at March 31, 2009 were granted to each of them as equity based awards on May 14, 2009 in the form of fully paid UARs effective March 31, 2009 (the “Effective Grant Date”). Such fully paid UARs (Ms. MacDonald — 108,387 UARs; Messer’s. Hartwick — 113,100 UARs; Pritchett — 23,626 UARs; and Roche 5,939 UARs) are for a term of 10 years, are exchangeable subject to vesting into units on a 1:1 basis and vest as to ⅓ thereof on each of the first three anniversary dates of the Effective Grant Date subject to continued employment as a senior officer of OESC or any affiliate thereof, in each case, on the applicable vesting date. The Fund’s UAR Plan is described under the heading Unit Appreciation Rights Plan on page 30 of this Information Circular.
- (10) None of the NEOs are entitled to receive any pension or defined contribution or any other form of retirement allowance.
- (11) No options were granted to any NEO for the year ended March 31, 2009. Mr. Hartwick continues to hold 100,000 options of which 60,000 are vested and are exercisable into Units @ \$15.63. See the Table “entitled “Incentive Plan Awards” at page 29 of this Information Circular. All 50,000 options granted to Mr. Bloch on January 2, 2008 at an exercise price of \$16.70 expired on May 5, 2009

and have been cancelled. Options vest over three or five years from the grant date and expire five or ten years from the grant date. The Fund's Unit Option Plan is described under the heading "Fund Unit Option Plan" on page 29 of this Information Circular.

- (12) Each Named Executive Officer is required to take a certain percentage of their discretionary performance bonus entitlement and, if entitled thereto, 100% of their performance based targeted bonus in UARs as described in more detail under "NEO Employment Agreements" on pages 15–22 of this Information Circular.
- (13) This amount includes the interests of Messrs. Hartwick (\$22,731) Pritchett, (\$13,538), Bloch (\$12,385) and Ms. Summers (\$1,800) in the Fund's Deferred Profit Sharing Plan and the Employee's Profit Sharing Plan (both of which are described in more detail under the heading "Employee Benefit Plans" on page 15 of this Information Circular) as at March 31, 2009 and as regards Peter Bloch the amount paid to him pursuant to his departure agreement. None of the other Named Executive Officers participate in the plans.
- (14) Reflects payment to Peter Bloch on resignation of one year's base salary.
- (15) Of the \$649,602 received by Darren Pritchett, \$636,064 relates to Residuals to which he was entitled to receive for the year ended March 31, 2009. See section 2(c) on page 19 of this Information Circular. Of the \$725,894 received by John Roche, 100% thereof relates to Residuals to which he was entitled to receive for the year ended March 31, 2009. See section 2(c) on page 21 of this Information Circular.
- (16) The total market value of all Units, UARs (vested and unvested) and Preference Shares (which are exchangeable into Units of the Fund on a 1:1 basis) held by the following named Executive Officers at March 31, 2009, based on the TSX closing price of Units on April 30, 2009 of \$12.16 is as follows:

Name of Holder	Units <sup>(1)</sup>	Preference Shares <sup>(2)</sup>	UAR (vested and unvested)	Total Value
Rebecca MacDonald	582,392 (\$7,081,887)	5,263,728 (\$64,006,932)	338,198 (\$4,112,488)	\$75,201,307
Ken Hartwick	21,166 (\$257,379)	NIL	282,115 (\$3,430,518)	\$ 3,687,897
Beth Summers	54 (\$657)	NIL	10,000 (\$121,600)	\$ 122,257
John Roche	NIL	NIL	10,150 (\$123,424)	\$ 123,424
Darren Pritchett	55,889 (\$679,610)	NIL	63,041 (\$766,579)	\$ 1,446,189

Notes:

- (1) Includes Units held indirectly over which control and direction is exercised.
- (2) Based on the TSX closing price of Units on April 30, 2009 of \$12.16.
- (3) Under their employment agreements each of Messrs. Hartwick, Pritchett and Roche and Ms. Summers is required, at the end of each financial quarter of the Fund to own (after a date specified in each of their employment agreements (the "Specified Date") a number of Units of the Fund (including fully paid UARs whether or not vested) equal to a multiple of NEO's base salary for the most recently completed financial preceding such Specified Date. Based on the fair market value of Units at the end of each quarter of the Fund. In the event of a sudden and significant decrease as the fair market value of Units after such Specified Date, the Committee will give the NEO a reasonable period of time to comply with the requirement having regard to all of the circumstances. Mr. Hartwick was required to own by March 31, 2008 Units and UARs having a value equal to three times his base salary at March 31, 2008 or \$1,800,000 of Units and UARs and at the end of each financial quarter of the Fund thereafter. As the above Table indicates Mr. Hartwick was fully compliant at March 31, 2008. Ms. Summers is required to own by March 31, 2011 Units and UARs having a value equal to her base salary at March 31, 2011 and at the end of each quarter of the Fund thereafter. Mr. Pritchett is required to own by March 31, 2010 Units and UARs having a value equal to two times his base salary at March 31, 2010 and at the end of each financial quarter of the Fund thereafter. Mr. Roche is required to own by September 30, 2011 Units and UARs having a value equal to one times his base salary at September 30, 2011 and at the end of each financial quarter of the Fund thereafter.

The above notes to the Summary Compensation Table including the description of each NEO's employment agreement under the heading "NEO Employment Agreements" on pages 15 to 22 of this Information Circular are included to explain all significant factors relating to NEO compensation for the year ended March 31, 2009.

## INCENTIVE PLAN AWARDS — NEOs

### (a) Outstanding unit-based awards and option based awards.

The following Table provides information for all awards outstanding at March 31, 2009.

Name	Option based awards				Unit based awards	
	Number of units underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of units that have not vested <sup>(2)</sup> (#)	Market or payout value of unit based awards that have not vested <sup>(3)</sup> (\$)
Rebecca MacDonald	NIL	N/A	N/A	N/A	179,533	1,903,050
Ken Hartwick <sup>(1)</sup>	100,000	15.63	May 28, 2010	NIL	190,329	2,017,487
Beth Summers	NIL	N/A	N/A	N/A	10,000	106,000
Darren Pritchett	NIL	N/A	N/A	N/A	47,155	499,843
John Roche	NIL	N/A	N/A	N/A	9,758	103,435
Peter Bloch <sup>(1)</sup>	50,000	16.70	January 1, 2018	NIL	NIL	NIL

Notes:

(1) Cancelled on May 5, 2009.

(2) Reflects number of unvested unit appreciation rights at March 31, 2009.

(3) Reflects the market value based on the March 31, 2009 TSX closing price of units of \$10.60.

### (b) Incentive Plan Awards — value vested or earned during the year.

The following table provides information relating to the value vested or earned with respect to incentive plan awards for the year ending March 31, 2009.

Name	Option based awards — Value vested during the year (\$)	UAR based awards — Value vested during the year <sup>(1)</sup> (\$)	Non equity incentive plan compensation — Value earned during the year
Rebecca MacDonald	NIL	541,946	NIL
Ken Hartwick	NIL	524,435	NIL
Beth Summers	NIL	NIL	NIL
Darren Pritchett	NIL	83,570	NIL
John Roche	NIL	4,155	NIL
Peter Bloch	NIL	17,649	NIL

Note:

(1) Reflects the market value of unit appreciation rights vested during the year ending March 31, 2009 based on the March 31, 2009 TSX closing price of units of \$10.60

### Fund Unit Option Plan

The officers, full-time employees and service providers of and to the Fund and OESC are eligible to participate in the Fund's 2001 Unit Option Plan (the "Option Plan"). On February 6, 2009, the board of directors adopted, as a Policy of the Fund, that no further options be granted to a director. Moreover, the Committee has no present plans to award options to Named Executive Officers as part of its compensation arrangements. The purpose of the Option Plan is to provide such eligible participants with financial rewards that will encourage ownership of Units, enhance OESC's and the Fund's ability to attract, retain and motivate key personnel and service providers and reward directors, officers, employees and service providers for significant performance and cash flow growth of the Fund. The Option Plan is administered by the Compensation and Human Resources Committee ("Committee") of OESC in its capacity as administrator of the Fund. The



Committee has the power to, among other things: (i) determine those directors, officers, employees and service providers eligible to be granted options; (ii) determine the number of Units covered by each option; (iii) determine the exercise price for each option; and (iv) determine the time or times when options will be granted and when they are exercisable and expire. The exercise price for any option granted may not be less than the closing market price of the Units on the Toronto Stock Exchange on the business day immediately preceding the day upon which the option is granted. Except as described in Note (11) to the Summary Compensation Table on page 27 of this Information Circular or otherwise provided in individual option agreements approved by the Committee, holders of options may exercise them at the applicable exercise price, subject to cancellation or acceleration in the event of termination of employment or death of the optionholder. Except as otherwise provided in individual option agreements approved by the Committee, options granted under the Option Plan are non-transferable, non-assignable and, except as described in Note (11) to the Summary Compensation Table on page 27 of this Information Circular, expire five or ten years from their grant date. At March 31, 2009, 758,666 options were available for grant under the Option Plan (less than 1% of the outstanding Units and Preference Shares).

Under the Option Plan and applicable option and employment agreements for the Named Executive Officers, all options will automatically vest immediately: (i) prior to the occurrence of a “Change of Control” of the Fund as defined under the heading “Change of Control” on page 23 of this Information Circular, (ii) upon dismissal without cause or constructive dismissal or (iii) in some cases, at the end of the term of an employment agreement if a further employment agreement on no less favourable terms from a commercial standpoint is not made available or offered to certain employees of OESC or an affiliate thereof. The maximum number of options currently available for issue under the Plan is 758,666. The Option Plan may not be amended without Unitholder approval and the consent of the TSX.

If before the expiry of an Option, a participant’s employment is terminated by reason of death, such Option may be exercised by the legal representatives of the estate of the participant at any time on or prior to the earlier of (i) the expiry date of such Option and (ii) the first anniversary of the date of death of the participant.

### **Unit Appreciation Rights Plan**

As described under the headings “NEO Employment Agreements” and “Compensation Discussion and Analysis” on pages 15–22 and 13–14 of this Information Circular, in lieu of granting options under the Fund’s 2001 Unit Option Plan, a specified minimum percentage of the short-term discretionary bonuses and/or long-term incentive bonuses to which all of the Named Executive Officers and certain other employees of, and consultants to, OESC are entitled (individually an “UAR Grantee”), are payable in fully paid UARs which vest at various dates (a “Vesting Date”), ranging from immediately on the grant date (the “Grant Date”) to 10 years from the Grant Date, providing that on applicable Vesting Dates the UAR Grantee continues to be an employee with or consultant to OESC or an affiliate thereof. The Unit Appreciation Rights Plan (the “UAR Plan”) is an umbrella plan which governs: (a) UARs previously granted to an UAR Grantee under employment agreements referred to under the heading “NEO Employment Agreements” on pages 15–22 of this Information Circular and (b) the grant of fully paid UARs to employees of and consultants to OESC and its affiliates. Fully paid UARs are, subject to vesting, exchangeable into fully paid Units of the Fund on a cumulative basis for up to 10 years from the Grant Date on the basis of one Unit for each fully paid UAR. The number of fully paid UARs to which an UAR Grantee is entitled is determined on the relevant Grant Date by dividing the specified percentage of the amount of the short-term discretionary bonus or long-term incentive bonus to which such Grantee is entitled and/or elects to receive, and which is payable in fully paid UARs, by the simple or weighted average of the closing market price of Units on the TSX for periods ranging between 10 and 30 days for UARs granted prior to June 30, 2004, and, unless otherwise provided by the Committee (the “Committee”) and/or the Board of Directors, 20 days for all other UARs, in each case, prior to the Grant Date. In some cases, a fixed number of fully paid UARs are granted to an employee in lieu of a cash bonus without reference to a simple average closing TSX price. Pending the exchange of fully paid UARs for Units, the UAR Grantee is entitled to receive monthly cash payments from OESC equal to the monthly distributions (including special distributions), such Grantee would otherwise be entitled to receive if the UARs were Units, less any applicable withholdings or other tax. All outstanding UARs, whether or not vested, automatically vest on the happening of certain events including: death, a change of control, dismissal without cause or constructive dismissal and the inability, in

certain circumstances, of OESC (or an affiliate thereof) and a NEO to settle upon a further employment arrangement at the end of term. UARs do not carry the right to vote. The total number of Units which may be made available to any UAR Grantee under the UAR Plan together with any Units reserved for issuance under options or warrants for services and employee unit purchase plans or any other unit compensation arrangements to such UAR Grantee may not exceed 5% of the issued and outstanding Units and Preference Shares of OESC at the Grant Date.

The UAR Plan is administered by the Committee which has broad powers respecting the granting, vesting, term and allocation of UARs and to interpret the UAR Plan. The aggregate number of UARs which may be granted under the UAR Plan is currently limited to two million which, when issued and vested, are exchangeable, on a one for one basis, into an equal number of fully paid and non-assessable Units.

The maximum number of UARs currently issuable under the UAR Plan is 374,668. Without the approval of Unitholders, the UAR Plan may not be amended: (a) to increase the number of UARs issuable under the Plan, (b) to expand the scope of an “Eligible Person” or (c) to extend the term of a UAR benefiting an insider of the Fund. Subject to the terms of an employment agreement and to a resolution of the Compensation Committee, all rights to exchange a UAR for Units expire upon a UAR Grantee ceasing to be an Eligible Person provided: (i) in the event of death a UAR may be exercised by the legal representatives of the estate of the UAR Grantee prior to the earlier of: (A) the expiry of such UAR and (B) the first anniversary of the date of death of such UAR Grantee, (ii) in the event the employment of a UAR Grantee is terminated for reasons other than for cause or death, such UAR may be exchanged at any time prior to the earlier of: (A) the expiry date of such UAR and (B) the day that is three months following the date of termination of employment of the UAR Grantee.

The UAR Plan was introduced to replace the granting of options to senior executives of OESC and its affiliates and to provide a mechanism to ensure that all or a significant portion of the short-term discretionary performance bonuses and/or long-term incentive bonuses payable to senior officers (including the NEOs), are payable in fully paid UARs in lieu of cash, thereby encouraging the employee recipients thereof to continue in the long-term employment of the Fund, while aligning their interests to those of Unitholders. The Fund is seeking approval to amend the UAR Plan to increase the number of UARs which are authorized to be issued from two to three million. See “Special Items of Business” on page 7 of this Information Circular.

#### Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides additional information about the Fund’s equity compensation plans approved by Unitholders at March 31, 2009:

Plan Category <sup>(1)</sup>	(a) # of Units Issuable upon the Exercise or Exchange of Outstanding:	(b) Weighted — Average Exercise Price of Outstanding:	(c) # of Units Available for Future Issuance under Plan (Excluding Units in Column (a))
2001 Unit Option Plan	Options 555,500	Options \$15.88	Units 758,666
2004 Unit Appreciation Rights Plan Unit	Unit Appreciation Rights 1,388,896	Unit Appreciation Rights \$13.26	Unit Appreciation Rights 374,668
Directors’ Deferred Compensation Plan	Deferred Unit Grants 62,530	Deferred Unit Grants \$13.62	Deferred Unit Grants 31,568

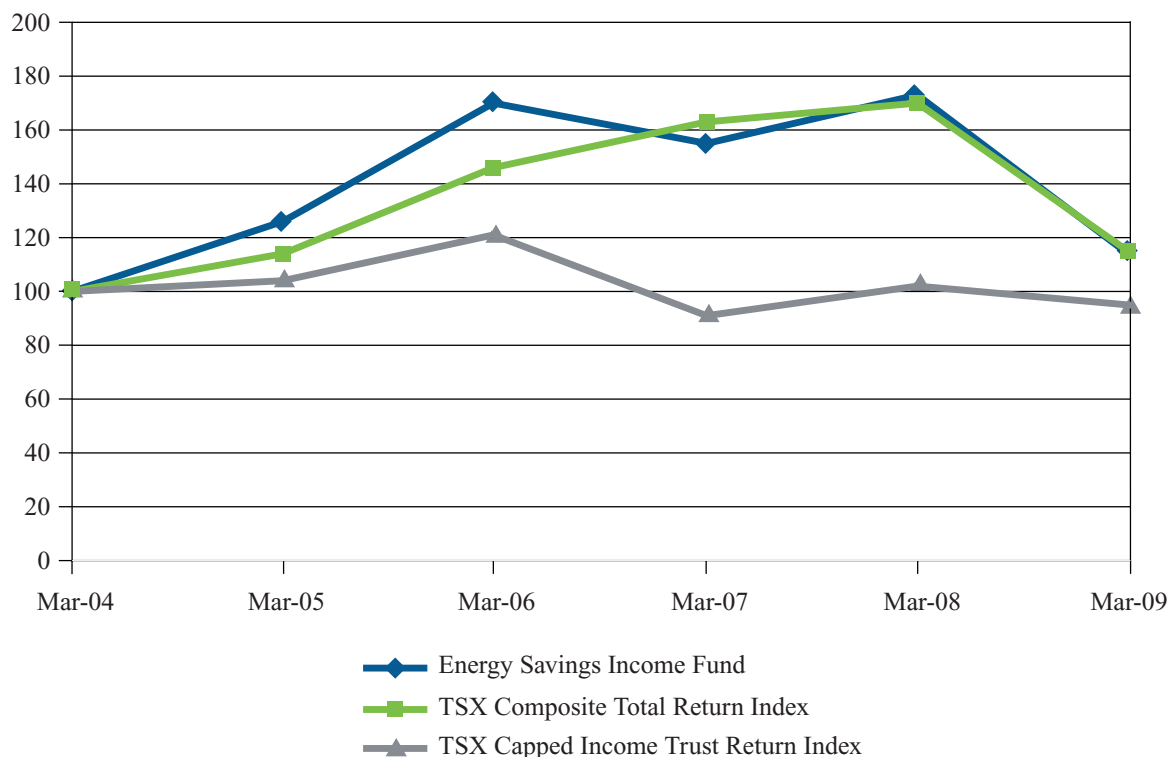
Note:

- (1) Each of the 2001 Unit Option Plan, the 2004 Unit Appreciation Rights Plan and the 2003 Directors’ Deferred Compensation Plan were approved by Unitholders and each Plan is described in detail elsewhere in this Information Circular.



## FUND PERFORMANCE GRAPH 2009

The following graph illustrates the Fund's cumulative Unitholder return, as measured by the closing price of the Units at the end of the financial years March 31, 2004 to March 31, 2009 assuming an initial investment of \$100 and reinvestment of distributions, compared to the TSX Total Return Index and the S&P TSX Income Trust Total Return Index:



Fiscal Year	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009
Energy Savings Income Fund <sup>(1)</sup> . . . . .	100	104	121	91	102	95
TSX Composite Total return Index . . . . .	100	114	146	163	170	115
TSX Capped Income Trust Return Index . .	100	126	170	155	173	114

Note:

(1) Energy Savings Income Funds total return is calculated by assuming distributions are reinvested on the date the distributions were paid and the number of units issued pursuant to the special in-kind distributions was set on December 31, 2007.

### INDEBTEDNESS OF THE TRUSTEE AND THE DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS OF THE SUBSIDIARIES OF THE FUND

During the year ended March 31, 2009 and to May 15, 2009 neither the Trustee, nor any director or senior officer of subsidiaries of the Fund, is, or has at any time during the period been indebted to the Fund, the Administrator or their associates or affiliates, or whose indebtedness to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Fund, the Administrator or their associates or affiliates.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS AND OTHERS

There was no indebtedness owing to the Fund and its subsidiaries or any other affiliated entity by executive officers, directors, employees and former executive officers, directors and employees of the Fund and its subsidiaries as at May 15, 2009.

## **COMPENSATION OF THE TRUSTEE AND THE ADMINISTRATOR**

### **Compensation of Trustee**

Pursuant to the provisions of the Declaration of Trust the Trustee receives an annual fee of \$10,000 per year for its services as Trustee to the Fund.

### **Administration of the Fund**

On April 30, 2001, the Fund entered into an administration agreement (the "Administration Agreement") with OESC, pursuant to which OESC agreed to provide or arrange for the provision of services required in the administration of the Fund. In consideration of its services, OESC receives an annual fee of \$100 plus certain out of pocket expenses. OESC received a fee of \$100 for the period from April 1, 2008 to March 31, 2009.

## **CORPORATE GOVERNANCE**

The Canadian Securities Administrators issued National Policy 58-201 entitled "Corporate Governance Guidelines" ("NP 58-201") and National Instrument 58-101 entitled "Disclosure of Corporate Governance Practices" ("NI 58-101") which apply to reporting issuers after June 30, 2005. Although the Fund does not have a board of directors or similar governing body, given that the Fund owns all of the common shares of OESC and that pursuant to the Declaration of Trust the Unitholders are given rights substantially equivalent to those which they would have if they were shareholders of OESC, it is appropriate to review the corporate governance practices of the Board of OESC. Schedule "A" which is attached to this Information Circular details the corporate governance practices of OESC with reference to NP 58-201 and Form 58-101F1. Schedule "B" indicates other directorships of reporting issuers and/or their subsidiaries held by those persons nominated as directors of OESC and the committees of such entities on which they serve and Schedule "C" sets forth the Mandate for the Board of Directors of OESC. The Fund is in substantial compliance with NP 58-201.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed herein, there were no material interests, direct or indirect, of directors or executive officers of OESC, any securityholder who beneficially owns, directly or indirectly, or exercise control or direction over more than 10% of the outstanding Units, or any other Informed Person (as defined in National Instrument 51-102) or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Fund or in any proposed transaction which has materially affected or would materially affect the Fund or any of its subsidiaries.

## **REGULATORY MATTERS AND BANKRUPTCIES AND INSOLVENCIES**

No nominee for director of OESC is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, or (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No nominee for director of OESC has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

There have been no penalties or sanctions imposed against any proposed director by a court or regulatory authority during the year ended December 31, 2008 or any other penalties or sanctions imposed against any

proposed director by a court or regulatory body that would likely be considered important to a reasonable shareholder in making a decision with respect to voting for any proposed director. There have been no settlement agreements that any proposed director has entered into with a court relating to securities legislation or with a securities regulatory authority during the financial year of the Fund ended March 31, 2009.

#### ADDITIONAL INFORMATION

Additional information relating to the Fund is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information in respect of the Fund and its affairs is provided in the Fund's annual audited comparative financial statements for the year ended March 31, 2008 and the related management's discussion and analysis. Copies of the Fund's financial statements and related management discussion and analysis are available upon request from the Corporate Secretary, Energy Savings Income Fund, 100 King Street West, Suite 2630, P.O. Box 355, Toronto, Ontario, M5X 1E1.

#### APPROVAL AND CERTIFICATION

The foregoing contains no untrue statements of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the circumstances in which it was made.

The undersigned hereby certifies that the contents of, and the sending of, this Information Circular have been approved by the Board of Directors of OESC, as the Administrator of the Fund.

DATED the 15th day of May, 2009.

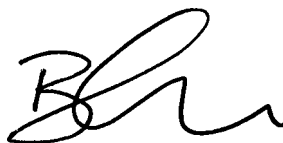
JUST ENERGY INCOME FUND  
By its administrator,  
Ontario Energy Savings Corp.



REBECCA MACDONALD  
Executive Chair  
Ontario Energy Savings Corp.



KENNETH HARTWICK C.A.  
President and Chief Executive  
Officer Ontario Energy Savings Corp.



BETH SUMMERS C.A.  
Chief Financial Officer  
Ontario Energy Savings Corp.

**SCHEDULE A**

**CORPORATE GOVERNANCE COMPLIANCE TABLE**  
**STATEMENT OF CORPORATE GOVERNANCE PRACTICES OF**  
**ONTARIO ENERGY SAVINGS CORP. (the “Corporation”),**  
**A WHOLLY-OWNED SUBSIDIARY JUST ENERGY INCOME FUND (the “Fund”)**  
**NATIONAL INSTRUMENT 58-101 (“NI 58-101”)**

**FORM 58-101FI — CORPORATE GOVERNANCE DISCLOSURE<sup>(1)</sup>**

GOVERNANCE DISCLOSURE REQUIREMENT	COMPLIANCE	COMMENTS
<b>1. BOARD OF DIRECTORS</b>		
(a) Disclose the identity of the directors who are independent.	Yes	The six Board members who are independent pursuant to NI 58-101 are identified in the Table in Schedule B on pages B2 and B3 of this Information Circular.
(b) Disclose the identity of the directors who are not independent, and describe the basis for that determination.	Yes	Three Board members are not independent pursuant to NI 58-101. Two of them are senior officers of the Corporation and one is a partner at a law firm to which the Corporation makes regular annual payments for a broad range of legal services. They are identified in the Table in Schedule B of this Information Circular. See however section 7(b) of this Schedule A.
(c) Disclose whether or not a majority of the directors are independent.	Yes	Six of the nine nominees proposed by management for election to the board and to be voted upon on an individual basis are independent under NI 58-101.
(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Yes	All directorships, if any, with other public entities for each of the nine directors proposed by management for election to the Board and to be voted upon on an individual basis and their committee representations are set out in the Table in Schedule B of this Information Circular.
(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held during the preceding 12 months. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.	Yes	The independent directors of the Board and Board Committees meet without Management in attendance at every regularly scheduled meeting, including telephone conference call meetings. Board Committees meet with external consultants and professional advisors, without Management in attendance. The number of meetings without management and the non-independent directors in attendance held during fiscal 2009 were, as regards: (i) the Audit Committee — 7; (ii) the Compensation and Human Resources Committee — 4; (iii) the Nominating and Corporate Governance Committee — 3; (iv) the Risk Committee — 2; and (v) the board of directors — 7. All independent directors have an opportunity, through membership on one or more of the Board Committees (Audit, Compensation and Human Resources, Nominating and Corporate Governance

GOVERNANCE DISCLOSURE REQUIREMENT	COMPLIANCE	COMMENTS
(f) Disclose whether or not the chair of the board is an independent director, disclose the identity of the independent chair, and describe his or her role and responsibilities.	No	<p>and Risk), to participate in discussions without Management and without the non-independent management directors in attendance.</p> <p>Rebecca MacDonald, the Board Executive Chair is not independent under NI 58-101. Her responsibilities are set out in the Board Chair Position Description which is available on the Fund’s website at <a href="http://www.justenergy.com">www.justenergy.com</a>. Mr. Segal, the Lead Director, is independent under NI 58-101. His responsibilities are set out in the Lead Director Position Description which is available on the Fund’s website at <a href="http://www.justenergy.com">www.justenergy.com</a>. The Lead Director’s responsibilities include the obligation to ensure that the Board discharges its responsibilities effectively and independently, in consultation with the four Board Committees. The Lead Director is Chair of the Nominating and Corporate Governance Committee, a member of the Audit Committee and the Risk Committee and an ex officio member of, and attends, all other Committee meetings.</p>
<p><b>2. BOARD MANDATE</b></p> <p>(a) Disclose the text of the board’s written mandate.</p>	Yes	<p>The Board’s Charter is included in Schedule “C” to this Information Circular. A Mandate for the individual directors is available at the Fund’s website at <a href="http://www.justenergy.com">www.justenergy.com</a>.</p> <p>The Board has approved a strategic planning process and annually reviews and approves the strategic plan, which takes into account, among other things, the opportunities and risks of the business, the competitive environment, pricing risks, hedging and other strategic issues. All of the above referenced risks and strategic issues are reviewed at each Audit Committee or Risk Committee and at each Board meeting.</p> <p>Based on the recommendation of the Risk Committee, the Board of the Corporation has adopted a Risk Management Policy and Risk Management Procedures. The Corporate Risk Officer reports to the Risk Committee at each meeting with respect to compliance by the Corporation with the above Policies which are available on the Fund’s website at <a href="http://www.justenergy.com">www.justenergy.com</a>.</p> <p>The Audit and Risk Committees identify and report regularly to the Board on the Corporation’s major financial and operating risks and review policies and practices, including the Risk Management Policy, the Risk Management Procedures and Credit Policy and hedging to manage the risks.</p>
<p><b>3. POSITION DESCRIPTIONS</b></p> <p>(a) Disclose whether or not the board has developed written</p>	Yes	<p>The Position Descriptions for the Board Chair, the Lead Director and each individual Committee Chair</p>

GOVERNANCE DISCLOSURE REQUIREMENT	COMPLIANCE	COMMENTS
<p>position descriptions for the chair and the chair of each board committee.</p> <p>(b) Disclose whether or not the board and CEO have developed a written position description for the CEO.</p> <p>(c) Disclose whether or not the Audit Committee and CEO have developed a written position description for the CFO.</p>	<p>Yes</p> <p>Yes</p>	<p>are available on the Fund's website at <a href="http://www.justenergy.com">www.justenergy.com</a>.</p> <p>The CEO's Position Description is available on the Fund's website at <a href="http://www.justenergy.com">www.justenergy.com</a>.</p> <p>The CFO's Position Description is available on the Fund's website at <a href="http://www.justenergy.com">www.justenergy.com</a>.</p>
<p><b>4. ORIENTATION AND CONTINUING EDUCATION</b></p> <p>(a) Briefly describe what measures the board takes to orient new members regarding:</p> <p style="padding-left: 20px;">(i) the role of the board, its committees and its directors, and</p> <p style="padding-left: 20px;">(ii) the nature and operation of the issuer's business.</p> <p>(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors.</p>	<p>Yes</p> <p>Yes</p>	<p>While the Corporation has not established a formal orientation program for new directors, each new director is provided an opportunity to meet with the Executive Chair, Chief Executive Officer and the Lead Director and is provided with information about the Corporation including: minutes of all Board and Committee meetings for the past year, the Corporation's current disclosure documents, information on the role of the Board and each of its Committees; corporate and industry information; copies of all policies of the Fund (i.e., Code of Conduct, Confidentiality, Trading), and, the contribution individual directors are expected to make.</p> <p>Specific information is provided on operations, the strategic plan, risk and risk management, governance, integrity and corporate values. New directors are provided with copies of the Corporation's continuous disclosure documents filed for a period of two years prior to their appointment or election.</p> <p>Presentations are made to the Board from time to time to educate and keep them informed of changes within the Corporation and in regulatory and industry requirements and standards. Specific information is provided on risks, commodity pricing, supply and demand and the current business and commercial environment. The Nominating and Corporate Governance Committee has the specific responsibility to review information on available educational opportunities and ensures directors are aware of those opportunities. The Corporation will pay for director education.</p>
<p><b>5. ETHICAL BUSINESS CONDUCT</b></p> <p>Disclose whether or not the board has adopted a written code for its directors, officers</p>	<p>Yes</p>	<p>The Board has adopted a Code of Business Conduct and Ethics Policy for its directors, officers and employees. The Board has also adopted a</p>



GOVERNANCE DISCLOSURE REQUIREMENT	COMPLIANCE	COMMENTS
<p>and employees. If the board has adopted a written code:</p> <p>(i) disclose how an interested party may obtain a copy of the written code;</p> <p>(ii) describe how the board monitors compliance with its code; and</p> <p>(iii) provide a cross reference to any material change reports(s) filed within the preceding 12 months that pertains to any conduct of a director or executive officer that constitutes a departure from the code.</p> <p>(b) Describe any steps the board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p> <p>(c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Whistleblower Policy.</p> <p>The Code of Business Conduct and Ethics Policy and the Whistleblower Policy are available on the Fund's website at <a href="http://www.justenergy.com">www.justenergy.com</a>, have been filed on SEDAR and are available on request to the Corporate Secretary of the Corporation.</p> <p>The Board, through the office of the Corporation's Legal Department and the Risk Management Group monitors compliance with the Code of Business Conduct and Ethics Policy. The Chair of the Audit Committee monitors compliance with the Fund's Whistleblower Policy.</p> <p>The Board has not granted any waiver of the Code of Business Conduct and Ethics Policy in favour of a director or executive officer during the past 12 months and for all of calendar 2008. Accordingly, no material change report has been required or filed.</p> <p>The Executive Chair of the Board with the Lead Director and the Chief Executive Officer and Committee Chairs set the agenda for all meetings of the Board and each Committee thereof. They identify all transactions in respect of which a Director or executive officer may have a material interest and consult with outside counsel to ensure that the approval of any such transaction is in compliance with applicable corporate and securities rules and policies. Independent valuations and reports are obtained and any Director who may have a material interest in any such transaction is required to disclose his interest and to refrain from voting on the matter.</p> <p>The Vice President Corporate Risk Officer and Secretary to the Board and Board Committees regularly review the Corporation's Code of Business Conduct and Ethics Policy with all senior executives, members of middle management and the Directors to ensure all such persons are compliant with the Code on an annual basis. In addition, an annual certification is undertaken by all employees as to their knowledge of and compliance with Codes and other corporate policies.</p>
<p><b>6. NOMINATION OF DIRECTORS</b></p> <p>(a) Describe the process by which the board identifies new candidates for board nomination.</p>	<p>Yes</p>	<p>The Board has appointed a Nominating and Corporate Governance Committee with responsibility with assistance from the Lead Director, for the identification of new candidates for recommendation to the Board. The Nominating and Corporate Governance</p>

GOVERNANCE DISCLOSURE REQUIREMENT	COMPLIANCE	COMMENTS
<p>(b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.</p> <p>(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>Yes</p> <p>Yes</p>	<p>Committee annually reviews performance evaluations and conducts a peer evaluation review which includes a skills matrix completed by all directors. The matrix sets out the various skills and areas of expertise determined to be essential to ensure appropriate strategic direction and is used to assist in recruiting to the Board.</p> <p>The Nominating and Corporate Governance Committee is comprised of three directors, all of whom have been affirmatively determined by the Board to be independent pursuant to NI 58-101.</p> <p>The Nominating and Corporate Governance Committee Mandate is available on the Fund's website at <a href="http://www.justenergy.com">www.justenergy.com</a> and a report on the activities of the Committee is described in section 9 of this Schedule on page A6 of this Information Circular.</p>
<p><b>7. COMPENSATION</b></p> <p>(a) Describe the process by which the board determines the compensation for your company's directors and officers.</p> <p>(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent direc-</p>	<p>Yes</p> <p>Yes</p>	<p>The Board has appointed a Compensation and Human Resources Committee with responsibility for recommending compensation for the Corporation's directors and officers to the Board. The Executive Chair and the CEO's compensation are approved by the independent directors of the Board based on the recommendation of the Compensation and Human Resources Committee.</p> <p>To align the interests of directors to those of unitholders, the Directors and unitholders approved the Directors' Deferred Unit Compensation Plan in June of 2004 which requires the directors to receive \$15,000 of their annual retainer in Deferred Units of the Fund and enables the directors to elect to receive all or a portion of their remaining compensation in the form of Deferred Units of the Fund. For information about the compensation paid to directors for the year ending March 31, 2009 see "Directors Compensation Table" on page 10 of this Information Circular and "Directors Deferred Compensation Plan" in note (7) on page 5 of this Information Circular.</p> <p>The Compensation and Human Resources Committee is comprised of four directors, all of whom have been affirmatively determined by the Board to be independent pursuant to NI 58-101. The Board has determined that the payment of legal fees to a firm which serves as general outside counsel to the Fund and where one of its directors is a partner has not and</p>

GOVERNANCE DISCLOSURE REQUIREMENT	COMPLIANCE	COMMENTS
<p>tors, describe what steps the board takes to ensure an objective process for determining such compensation.</p> <p>(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	Yes	<p>should not affect or compromise the ability of the director to act independently and where matters requiring a vote of the full board relate to issues on which the Corporation has received advice from the related law firm, the director partner declares his interest and refrains from voting on the matter.</p> <p>The Compensation and Human Resources Committee Mandate is available on the Fund's website at <a href="http://www.justenergy.com">www.justenergy.com</a> and a discussion and analysis of the compensation paid to the Named Executive Officers for which the Committee has significant responsibility begins on page 13 of this Information Circular.</p>
<p><b>8. OTHER BOARD COMMITTEES</b></p> <p>(a) If the board has standing committees other than the Audit, Compensation and Nominating Committees, identify the committees and describe their function.</p>	Yes	<p>Except for the Risk Committee whose function is discussed below, there are no additional standing Board Committees. The Compensation and Human Resources Committee has, in addition to compensation responsibilities, obligations to deal with human resource and personnel matters. The Nominating and Corporate Governance Committee has, in addition to Nominating responsibilities, the obligation to establish and review the Corporation's Corporate Governance structure including compliance with NI 58-101. The Mandate and Chair Position Description for the Risk Committee is available on the Fund's website at <a href="http://www.justenergy.com">www.justenergy.com</a>. Generally speaking the functions of the Risk Committee, which consists of four outside directors, is to be satisfied that management of the Fund and each affiliate has implemented effective systems to identify significant risks of the business and changes to these risks and to review regularly the adequacy of and compliance with the Risk Management Policy and Risk Procedures to assist the Board in fulfilling its oversight responsibilities and to review reports from the internal auditor.</p>
<p><b>9. ASSESSMENTS</b></p> <p>(a) Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments.</p>	Yes	<p>The Nominating and Corporate Governance Committee conducts a full evaluation of the effectiveness and performance of the Board, all Board Committees and members thereof and individual directors annually. The evaluation also includes self-evaluations and a peer performance evaluation pursuant to which each director evaluates the performance of each of his or her board colleagues. The evaluation consists of: (i) a director's questionnaire and (ii) a peer evaluation questionnaire, the results of which are tabulated and analyzed through the Lead Director and the Chair of the Nominating and Corporate Governance Committee. Results of the questionnaire are</p>

GOVERNANCE DISCLOSURE REQUIREMENT	COMPLIANCE	COMMENTS
		<p>presented to the Nominating and Corporate Governance Committee and the Board and the results of the peer evaluation are reviewed, as necessary and appropriate, by the Lead Director with each of the individual directors.</p> <p>The most recent annual director questionnaire and director peer evaluation showed that the Board, the Board Committees, Board Executive Chair, the Lead Director and Committee Chairs and individual directors were effectively fulfilling their responsibilities.</p>

Notes:

- (1) All of the Corporation's corporate governance policies, committee mandates, including: its Code of Business Conduct and Ethics Policy, its Policy on Insider Trading, Disclosure and Confidentiality, its Whistleblower Policy, the terms of reference and chair positions for each of its Audit Committee, its Compensation and Human Resources Committee, its Nominating and Corporate Governance Committee and the Risk Committee, the board of director mandate and the position description for individual directors and position descriptions for its Executive Chair the Lead Director, Chief Executive Officer and Chief Financial Officer are published on the Fund's website at [www.justenergy.com](http://www.justenergy.com).
- (2) The Table below indicates the attendance record for each person who was a director of the Corporation for the year ending March 31, 2009 for all director and Committee meetings.

Name of Director	Number of Board Meetings attended of which there were 9 <sup>(1)(4)</sup>	Number of Audit Committee Meetings attended of which there were 7 (Kirby, Segal, and Smith) <sup>(2)</sup>	Number of Compensation and Human Resources Committee attended of which there were 4 (Giffin, Smith, McMurtry and Brussa) <sup>(3)</sup>	Number of Nominating and Corporate Governance Committee Meetings attended of which there were 3 (Segal, Joyce and McMurtry)	Number of Risk Committee Meetings attended of which there were 2 (Kirby, Giffin, Segal and Brussa)
John A. Brussa	9	2	4	—	2
Gordon D. Giffin	8	1	2	—	2
Ken Hartwick	7	—	—	—	—
Ron Joyce	7	—	—	1	—
Michael J.L. Kirby	9	7	—	—	2
Rebecca MacDonald	9	—	—	—	—
Roy McMurtry	8	—	3	3	—
Hugh D. Segal	9	7	3	3	2
Brian R.D. Smith	9	6	4	—	—

Notes:

- (1) Includes meetings attended in person or by telephone conference call. Ron Joyce and Ken Hartwick were appointed to the Board on August 7, 2008 and since their appointment have attended 100% of all Board meetings and Committee meetings as applicable.
- (2) Messrs. Brussa and Giffin attended 100% of all meetings while members of the Audit Committee.
- (3) Gordon Giffin attended all meetings while a member of the Compensation and Human Resources Committee.
- (4) The above table includes a two day strategy session attended by all directors.

## SCHEDULE B

### OTHER PUBLIC COMPANY DIRECTORSHIPS AND COMMITTEE APPOINTMENTS

The following table indicates whether a director or a nominee director is independent or not pursuant to National Instrument 58-101 and lists other public company directorships and committee appointments.

Director	Other Public Company Directorships	Committee Appointments
<b>LIST OF THREE NON-INDEPENDENT DIRECTORS</b>		
Rebecca MacDonald	None	None
Ken M. Hartwick	Atlantic Power Corporation	Audit Committee
John A. Brussa	Baytex Energy Ltd.  Capitol Energy Resources Ltd  Cirrus Energy Corporation  Crew Energy Inc. Divestco Inc. E4 Energy Inc. Endev Energy Inc.  FET Resources Inc. (a wholly owned subsidiary of Focus Energy Trust) Flagship Energy Galleon Energy Inc. Grand Petroleum Ltd.  Harvest Operations Corp. (a wholly-owned subsidiary of Harvest Energy Trust) Highpine Oil & Gas Limited  Inter Pipeline Fund (a wholly owned subsidiary of Pipeline Management Ltd.) Navigo Energy Inc. (a subsidiary of NAV Energy Trust) Orleans Energy Ltd. Penn West Petroleum Ltd. (a subsidiary of Pen West Energy Trust)  Pilot Energy Ltd. Progress Energy Ltd. (a subsidiary of Progress Energy Trust) Rider Resources Ltd. Strategic Energy Fund  Storm Exploration Inc.	Reserves Compensation  Reserves Compensation and Corporate Governance  Audit Reserve  Reserves  Audit  Audit  Reserves Audit Compensation  Compensation  None  Compensation  Reserves Compensation  Audit (Chair) Compensation  Compensation, Nomination and Corporate Governance (Chair)  Compensation  Compensation  None  Chair of the Board Compensation Corporate Governance  Audit  Compensation  Compensation  Audit Corporate Governance  Compensation, Nomination, Governance

Director	Other Public Company Directorships	Committee Appointments
<b>LIST OF SIX INDEPENDENT DIRECTORS<sup>(2)</sup></b>		
Brian R.D. Smith	Genco Resources Ltd. Andover Ventures Inc. Stealth Energy Inc. Zenith Industries Inc.	Audit None None Chair
Michael J. L. Kirby	Brainhunter Inc.  Extendicare  Indigo Books & Music Inc.  MDC Partners Inc.  The Bank of Nova Scotia	Corporate Governance Human Resources (Chair)  Corporate Governance Human Resources (Chair) Quality Standards  Audit (Chair) Corporate Governance (Chair) Human Resources  Corporate Governance Human Resources  Audit (Chair) Executive
Hugh D. Segal	SNC Lavalin Inc.	Health, Safety and Environment Human Resources
Gordon D. Giffin	Canadian Imperial Bank of Commerce  Canadian National Railway Company  Canadian Natural Resources Limited  TransAlta Corporation	Management Resources and Compensation  Environment and Safety Finance Human Resources  Audit Governance and Nominating  Governance and Nominating
R. Roy McMurtry	None	None
Ronald V. Joyce <sup>(3)</sup>	None	None

Notes:

- (1) Mr. John A. Brussa, a director of OESC, is a partner of the law firm of Burnet, Duckworth & Palmer LLP, which firm serves as general outside counsel to the Fund and Corporation and receives fees for legal services rendered to the Fund and its operating entities.
- (2) Ken Hartwick became a director on August 7, 2008.
- (3) Ron Joyce became a director on August 7, 2008.



## SCHEDULE C

### The Board of Directors of Ontario Energy Savings Corp. ("Energy Savings") Board Mandate

#### — Supervising the Management of the Business and Affairs of Energy Savings —

#### Our Main Responsibilities

We provide the supervision necessary for:

1. **Disclosure of Reliable and Timely Information to Unitholders** — the Unitholders depend on us to get them accurate and relevant information.
2. **Approval of Strategy and Major Policy Decisions of Energy Savings** — we must understand and approve where Energy Savings is going, be kept current on its progress towards those objectives and be part of and approve any major decisions.
3. **Evaluation, Compensation and Succession for Key Management Roles** — we must be sure that the key roles have the right people, that they are monitored and evaluated by us and that they are appropriately compensated to encourage Energy Savings' long-term success.
4. **Oversight of the Management of Risks and the Implementation of Internal Controls** — we must be satisfied that the assets of Energy Savings are protected and that there are sufficient internal checks and balances.
5. **Effective Board Governance** — to excel in our duties we need to be functioning properly as a Board — strong members with the right skills and the right information and generally to be responsible for the development of Energy Savings approach to corporate governance.

#### Independence is Key

The Board of Directors understands that we must be independent of the management of Energy Savings. To enhance our independence we have implemented the following:

- A majority of the members of the Board are independent
- All Committees are composed solely of non-management directors
- The Board and its Committees can meet independently of management at any time
- The Board and its Committees can hire their own independent advisors
- An independent lead Director with a clear mandate provides leadership for the independent directors
- A policy requires all Directors to hold deferred units or units as part of the Board retainer
- The provision of high-quality information for Directors — orientation for new directors, meaningful presentations, access to management and sufficient time to review material

We know independence requires more — it requires preparation for meetings, understanding the issues, strength, commitment, integrity and an inquiring mind.

#### Our Composition

Our number shall be as provided for in accordance with OESC's By-laws from time to time and shall comply with the rules of board composition established by the Nominating and Corporate Governance committee of OESC. Each director shall possess the qualities set out in the Position Description for Directors and the Position Descriptions for Directors in their role as Chair of each Board Committee.

We will create Committees from time to time and will delegate certain functions to them. Each of these Committees has a written Mandate. These Mandates are reviewed on a regular basis and are updated and

amended as often as needed to respond to the evolving regulatory and market environment in which Energy Savings operates.

### **Independent Functioning of Board and Committees**

The Board is responsible for establishing the appropriate procedures to ensure that the Board, Committees and individual Directors can function independently of management to the extent considered necessary or desirable by Directors. The Board can retain independent professionals. Each Committee can retain and terminate independent professionals and each has the sole authority to approve all fees payable to an Independent professional. Any Director can retain an independent professional with the prior approval of the Nominating and Corporate Governance Committee. Each Committee and the Board can conduct all or part of any meeting in the absence of management, and it is the Board's policy to include such a session on the agenda of each regularly scheduled Board meeting.

Each Committee chair can also require the Corporate Secretary to convene a meeting of the Board or a Committee to be held in the absence of management or to reserve an agenda item at any Board or Committee meeting for business to be conducted in the absence of management. Each Director can request such a meeting or reserved agenda item by contacting a Committee Chair.

### **Meetings**

The Board meets a minimum of four times per year. For regularly scheduled meetings, an agenda for each Board meeting and other documents for consideration are sent by courier to all Directors about one week in advance of each meeting. For special meetings of the Board, best efforts are made to distribute materials to the Directors as far in advance as practicable. A complete Board package, which includes all material for the meeting, is provided to each Director prior to the commencement of each meeting.

### **Specific Duties and Responsibilities**

The Board has the following specific duties and responsibilities, which may be delegated to Committees of the Board, in whole or in part, with ongoing reporting by the Committees to the Board:

#### ***Strategic Planning***

The Board is responsible for the strategy and fundamental goals of Energy Savings for all aspects of its undertaking. This responsibility includes the adoption of a strategic planning process; convening annually a strategic planning meeting involving the Board and executive management, approving strategic plans, which take into account, among other things, the major opportunities and risks of Energy Savings; and overseeing the implementation of strategic plans and monitoring performance against such plans. This responsibility also includes reviewing and approving all major strategy and policy recommendations including the financial plan and approving operating budgets, and specific requests for major acquisitions.

#### ***Risk Management***

The Board is responsible for ensuring that the appropriate policies and procedures are in place to protect the assets and commodity hedging policies of Energy Savings and assure its viable future. The Board is also responsible for identifying the principal risks of all aspects of Energy Savings' business and ensuring the implementation of appropriate systems to manage these risks.

#### ***Internal Controls and Management Information Systems***

The Board is responsible for overseeing and monitoring the integrity of Energy Savings' internal controls and procedures, management information systems and audit procedures, and overseeing the appropriate operation of Energy Savings including compliance with all applicable legal and regulatory requirements through financial and other management information systems, and appropriate inspection, compliance and control systems. The Board is responsible for ensuring that financial reporting and financial control systems are adequate and operating, and approving the quality and sufficiency of information provided to the Directors.

### ***Communications Policy***

The Board is responsible for establishing a communications policy for Energy Savings' and overseeing the maintenance of effective unitholder and stakeholder relations through Energy Savings' communications policy and programs so that accurate and timely material information is disseminated to and feedback is accommodated from unitholders.

### ***Director Orientation and Assessment***

The Board is responsible for ensuring there is an appropriate, formal orientation program for new directors and for assessing the effectiveness and contribution of the Board, Committees and all Directors annually. The Board is also responsible to ensure that the Directors have the necessary financial, energy, marketing, regulatory, human resource and compensation expertise.

### ***Evaluation, Compensation and Succession Planning***

The Board is responsible for overseeing the effective operation of Energy Savings by appointing, assessing performance of, compensating, disciplining and succession planning for all senior Energy Savings officers. The Board is responsible for ensuring the senior management team has the appropriate qualities and competencies to meet the expectations set by the Board. The Board is responsible for approving the compensation of the senior management team and the compensation policies of Energy Savings, including reviewing the adequacy and form of compensation of directors. The board is responsible for developing a position description for the Board members, the Executive Chair, the Chief Executive Officer, the Chief Financial Officer, the Lead Director, the Corporate Secretary and the Chair of each Board Committee which, together with other Board approved policies and practices, should provide for a definition of the limits to management's responsibilities. The Board is responsible for approving the objectives of Energy Savings to be met by the Chief Executive Officer.

### ***General***

The Board is responsible for monitoring the effectiveness of Energy Savings' corporate governance practices and approving any necessary changes, as required. The Board is responsible for establishing general Energy Savings policies and performing other tasks required by law. The Board is also responsible for ensuring compliance with and monitoring all policies approved by the Board including (i) the Code of Business Conduct and Ethics Policy and (ii) the Policy on Insider Trading, Communications and Confidentiality.

(Adopted by the Board on November 5, 2005)

## SCHEDULE D

### BIOGRAPHICAL SUMMARIES OF NOMINEE DIRECTORS

#### **John A. Brussa**

Mr. Brussa has been a director of OESC since 2001 and currently serves on two board committees. He is a senior partner with the law firm Burnet, Duckworth & Palmer L.L.P. where he specializes in taxation and energy law with a special expertise relating to income, energy and royalty trusts. Accordingly, based on his experience in the energy sectors, his contribution to the proceedings of the board and its Committees is invaluable. As indicated in Schedule B on page B1 of this Information Circular he serves as a director on other public boards and committees particularly in the oil and natural gas sectors. It is the view of other members of the OESC board that his experience and knowledge in these sectors and his regular attendance at board and committee meetings adds significant value to his contribution as a member of the board of OESC.

#### **Ambassador Gordon D. Giffin**

Mr. Giffin, is a senior partner in the Washington, D.C. and Atlanta, Georgia –based law firm, McKenna Long & Aldridge LLP. He has been a director of OESC since 2006 and currently serves on two board committees. Mr. Giffin is a member of the Council of Foreign Relations, on the Board of Trustees for The Carter Center and on the Board of Counselors of Kissinger-McLarty Associates. Mr. Giffin served as United States Ambassador to Canada from 1997 to 2001. As indicated in Schedule B on page B2 of this Information Circular, Mr. Giffin serves on several boards of Canadian public companies and committees thereof in the financial, transportation and natural resource sectors so that he is in a unique position, based on his experience both as a director and lawyer, to contribute to a discussion of the issues required to be addressed by the board OESC. He regularly attends all board meetings and committee meetings on which he serves.

#### **Ronald V. Joyce**

Mr. Joyce has been a director of OESC since 2008 and as an owner of a significant number of units of the Fund, has a very keen interest in the growth, development and expansion of the Fund's business. He is best known as the legendary Canadian entrepreneur who, in 1964, invested in the first Tim Horton's shop in Hamilton, Ontario growing the business into one of the most successful food chains in the world. Mr. Joyce has received numerous awards and honors for his acclaimed entrepreneurial successes, commitment to strong corporate citizenship and unwavering philanthropic work. Among them, the Order of Canada honoring dedication to underprivileged children and youth; induction into the Canadian Business Hall of Fame; Entrepreneur of the Year for Ontario and Canada; and the Red Cross Humanitarian of the Year Award. His achievements have also earned him several honorary doctoral degrees from Canadian Universities, including McMaster, Queen's Mount Allison, St. Mary's and the University of Calgary. Mr. Joyce is an active member on the boards of MCC Energy Fund; Vista Broadcasting Group Inc.; and Southmedic Inc. His business experience contributes significantly to the deliberations of the OESC board and Committees. He has attended 100% of all OESC board and committee meetings since joining the board of OESC.

#### **Senator Michael J.L. Kirby**

Mr. Kirby is Chairman of The Mental Health Commission of Canada and a corporate director. Mr. Kirby was a Member of the Senate of Canada from 1984 until 2006. He holds a B.Sc. and M.A. in mathematics from Dalhousie University and a Ph.D. in Applied Mathematics from Northwestern University. He has a Honorary Doctor of Laws from Dalhousie University and Simon Fraser University.

As indicated in Schedule B on page B2 of this Information Circular Mr. Kirby serves as a member of the board and committees of several public Canadian companies in several diverse business sectors which uniquely qualify him to serve as Chair of the Audit Committee and the Risk Committee of OESC. He is a dedicated and committed director reflected by a 100% attendance record at all OESC board and committee meetings for the year ended March 31, 2009. Until 2005, Mr. Kirby was Vice-Chair of the Accounting Standards Oversight Council. Previously, Mr. Kirby was Chair of the Standing Senate Committee on Banking, Trade and Commerce, the Senate Committee which handles all business legislative and regulatory issues, and was Chair of the Standing Senate Committee on Social Affairs, Science and Technology.

**The Honourable R. Roy McMurtry**

Mr. McMurtry has been a director of OESC since June, 2007. He currently serves as a member of the Compensation and Human Resources Committee and the Nominating and Corporate Governance Committee. Mr. McMurtry was Attorney General for the Province of Ontario from 1975 to 1985, the High Commissioner for Canada in Great Britain from 1985 to 1988 and was Chief Justice, Province of Ontario from February 1996 to May 31, 2007 and currently serves as Counsel, Gowling Lafleur Henderson L.L.P. His experiences in public life and contribution to the judicial system in Canada uniquely qualifies Mr. McMurtry to contribute to the deliberations of a public company engaged in the marketing of energy contracts and related products to the public.

**Senator Hugh D. Segal**

Mr. Segal has been a director of OESC since 2001. Mr. Segal is a Canadian senator. He is a director of several Canadian public companies as described on page B2 of Schedule B of this Information Circular and is Chairman of the Board of the Walter Duncan Gordon Foundation, a director of Thales Canada and a Member of the Atlantic Council. Mr. Segal was the recipient of the Governor General's Order of Canada award in 2003, Honorary Doctorate from the Royal Military College in 2004 and made an Honorary Captain of the Canadian Navy in 2005. Mr. Segal earned his Bachelor of Arts degree in 1972 from the University of Ottawa. In 1993 he was named Senior Fellow at the School of Policy Studies, Queen's University. He is also a professor of public policy at Queen's School of Business. His experience on several public company boards and committees and his expertise in social, economic and foreign policy and public administration qualify him well to serve as Lead Director of OESC and a member of all OESC board committees. He regularly attended all OESC board, committee and strategy meetings for the year ended March 31, 2009.

**Brian R.D. Smith**

Mr. Smith has been a director of OESC since 2001. He served as Minister of Education, Minister of Energy and the Attorney General in the government of British Columbia between 1979 and 1988 and was Chair of Canadian National Railways between 1989 and 1994. He was the Chair of British Columbia Hydro from 1996 to 2001 and presently serves as the Federal Chief Treaty Negotiator and is an Energy Consultant associated with the law firm of Gowling Lafleur Henderson L.L.P. He is a member of the board and committees of several Canadian public companies as indicated in Schedule B on page B2 of this Information Circular and based upon his involvement on other public company boards and committees is qualified to serve as Chair of the Compensation and Human Resources Committee and as a member of the Audit Committee of the board of OESC and has a 95% attendance record.

**Rebecca MacDonald**

Ms. MacDonald was the principal founder of OESC and has been a director since 2000. She has been engaged in the deregulation of natural gas for 18 years. Before forming OESC in 1997 she was the President of EMI, another successful gas marketing company. She became an officer of the OESC in January 2000 and since that time has served as Chief Executive Officer and for the past three years as Executive Chair. She is a past director of the Canadian Arthritic Foundation and is actively involved in a number of other charities. She founded the recently opened Rebecca MacDonald Centre for Arthritis Research at Toronto's Mount Sinai Hospital. She was named Canada's top woman CEO for 2003, 2004, 2005, 2006 and 2007 by Profit Magazine. She was named Ontario Entrepreneur of the Year by Ernst and Young in 2003. On April 3, 2009 she received the International Horatio Alger Award — Canada. Ms. MacDonald has a 100% attendance record.

**Kenneth Hartwick**

Mr. Hartwick has been a director of OESC since 2008. Mr. Hartwick serves as President and Chief Executive Officer of OESC and its affiliated entities in Canada and the United States after serving as President since March 2006 and Chief Financial Officer after April 2004. Before joining OESC he served as Chief Financial Officer of Hydro One from October 2001 to April 2004. Prior to joining Hydro One, Mr. Hartwick was Vice-President, Cap Gemini Ernst & Young (consulting business) (May to October 2000) and a partner of Ernst & Young LLP (auditors) from July 1994 to April 2000. Since his appointment to the OESC board on August 7, 2008, Mr. Hartwick has a 100% attendance record.

## **SCHEDULE E**

### **ORDINARY RESOLUTION INCREASING THE NUMBER OF UARs**

Resolved as an Ordinary Resolution of the Fund:

1. That the following amendments to the Fund's 2004 UAR be and they are hereby approved:

The number of UARs authorized to be issued pursuant to the Fund's 2004 UAR Plan be increased by one million (viz., from two million to three million) so that Section 4.1 of the Plan shall read as follows:

"4.1 UARs may be granted in respect of authorized and unissued Units provided that the aggregate number of Units reserved for issuance under the UAR Plan, subject to adjustment or increase of such number pursuant to the provisions of Article 8, together with any Units reserved for issuance under any options or warrants for services or employee unit purchase or unit option plans or any other plans, shall not exceed five million Units providing that the total number of UARs issuable under the UAR Plan shall not exceed three million. Units in respect of which UARs are not exchanged shall be available for subsequent UARs under the UAR Plan. No fractional UARs or Units may be exchanged or issued under the UAR Plan. All UARs which are cancelled, forfeited or not exchanged for Units, for whatever reason, shall be returned to the UAR pool and maybe reissued."

2. The Fund, through its attorney, OESC be and it is hereby authorized to make application to the Toronto Stock Exchange to list an additional 1,000,000 Units of the Fund.



## **SCHEDULE F**

### **ORDINARY RESOLUTION INCREASING THE NUMBER OF DUGs**

Resolved as an Ordinary Resolution of the Fund:

1. That the number of Units authorized to be issued pursuant to the Director's Deferred Compensation Plan be increased by 100,000 (viz., from 100,000 to 200,000) so that Section 8 of the Plan shall read as follows:  
"8. The total number of Units issuable pursuant to the Plan shall not exceed 200,000. No fractional Units may be issued under the Plan and any entitlement hereunder to a fractional Unit will be rounded down and no amount of money will be payable by the Fund in respect of such fractional interest."
2. The Fund, through its attorney, OESC be and it is hereby authorized to make application to the Toronto Stock Exchange to list an additional 100,000 Units of the Fund.

## SCHEDULE G

### SPECIAL RESOLUTION AMENDING THE FUND'S DECLARATION OF TRUST

#### BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The Declaration of Trust be amended as follows:

The definition of "Trust Unitholders" in Section 1.1(kkk) of the Declaration of Trust be deleted and replaced with the following:

(kkk) "**Trust Unitholders**" means at any time the holders at that time of one or more Trust Units, as shown on the register of such holders maintained by the Transfer Agent or by the Administrator on behalf of the Trust, and, for greater certainty, does not include the holders from time to time of one or more Special Units, provided that for all purposes of Article 11 of this Declaration of Trust (including, where the context requires, defined terms used therein), (i) the holders of the Preference Shares shall be treated as if they are the holders of the number of Trust Units that they would be entitled to receive on the relevant date if they exercise on such date the Shareholder Exchange Rights with respect to all of the Preference Shares held by them, and (ii) the holders of Special Voting Rights shall be entitled to such number of votes at meetings of Unitholders as may be prescribed by the Board of Directors of the Administrator in the resolution authorizing the issuance of any such Special Voting Rights in accordance with Section 3.9 of this Declaration of Trust;

The Declaration of Trust be amended by inserting a new Section 3.9 as follows:

#### **3.9 Special Voting Rights**

In addition to Trust Units, Special Units and the voting rights granted to the holders of the Preference Shares, there may be issued Special Voting Rights entitling the holders thereof to such number of votes at meetings of Trust Unitholders and in respect of any written resolution of Trust Unitholders as may be prescribed by the Board of Directors of the Administrator in the resolution authorizing the issuance of any such Special Voting Rights. Special Voting Rights may only be issued in connection with the issue of shares, partnership units or other securities ("**Exchangeable Securities**") of any direct or indirect subsidiary of the Trust that are convertible into or exchangeable for Trust Units (directly or indirectly). The aggregate number of votes at meetings of Trust Unitholders and in respect of written resolutions of Trust Unitholders attached to any Special Voting Right(s) shall not exceed the aggregate number of Trust Units into which the Exchangeable Securities in connection with which such Special Voting Unit are issued are, directly or indirectly, exchangeable or convertible. Except for the right to vote at meetings of the Trust Unitholders and in respect of any written resolution of Trust Unitholders, the Special Voting Rights shall not confer upon the holders thereof any other rights; and for greater certainty, the holders of Special Voting Rights shall not be entitled to any distributions of any nature whatsoever from the Trust or have any beneficial interest in any assets of the trust on termination of the Trust.

2. Subject to the implementation of this Special Resolution as set forth in paragraph 3 below, this Special Resolution shall be effective as of the date of its approval by the Unitholders; and
3. The proper officers of Ontario Energy Savings Corp. ("**OESC**") and/or the Trustee, on behalf of the Trust, be and they are hereby authorized and directed to execute, deliver and file all such documents and other instruments and to otherwise do and perform all such acts and things as they determine to be necessary or desirable for the implementation of this Special Resolution, at such times as they may determine, including, without limitation, effecting all such further, other and consequential amendments to the Declaration of Trust and any other relevant agreements as they determine to be necessary or desirable, provided that the directors of OESC may, in their discretion and without further approval of the Unitholders, revoke and rescind this special resolution or any of the amendments to the Declaration of Trust contemplated herein before this special resolution is acted upon.