

GENIVAR INCOME FUND



**NOTICE OF
2008 ANNUAL
MEETING OF UNITHOLDERS
AND PROXY CIRCULAR**

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Letter from the President and Chief Executive Officer and
the Chairman of the Board of Fund Trustees, of Trustees and of GP directors

Dear unitholders:

You are cordially invited to the annual meeting of unitholders of GENIVAR Income Fund. It will be held on May 22, 2008, at 10:00 a.m. (Montreal time), at the Palais des Congrès de Montreal, situated at 201 Viger Street West, Suite 520 A.D., Montreal, Quebec.

As a unitholder of GENIVAR Income Fund, you have the right to vote your units on all items that come before the meeting. You can vote your units either by proxy or in person at the meeting. This proxy circular will provide you with information about these items and how to exercise your right to vote. It will also tell you about the nominee trustees and directors, the proposed auditors, the compensation of trustees, directors and certain officers, and our corporate governance practices.

Unitholders are invited to attend the meeting where you will have the opportunity to ask questions and meet management.

We look forward to seeing you at our annual meeting of unitholders. If you are unable to attend the meeting in person, please complete and return a proxy by the date indicated on your form.

Sincerely,



Pierre Shoiry
President and Chief Executive Officer



Daniel Fournier
Chairman of the Board of Fund Trustees, trustees
of the Trust and GP Directors

NOTICE OF 2008 ANNUAL UNITHOLDER MEETING

When?

May 22, 2008 at 10:00 a.m. (Montreal time).

Where?

Palais des Congrès de Montreal, situated at 201 Viger Street West, Suite 520 A.D., Montreal, Quebec.

Business of the 2008 Annual unitholder Meeting

Four items will be covered at the meeting:

1. Presentation to unitholders of the consolidated financial statements of GENIVAR Income Fund for the year ended December 31, 2007, including the auditors' report thereon;
2. Election of certain of the trustees of GENIVAR Income Fund and certain of the directors of GENIVAR GP Inc. who will serve until the next annual unitholders meeting or until their successors are appointed;
3. Appointment of the auditors of GENIVAR Income Fund and authority granted to fix their remuneration; and
4. Consideration of such other business, if any, that may properly come before the meeting or any adjournment thereof.

You are entitled to receive notice of, and vote at, our annual unitholder meeting or any adjournment thereof if you were a unitholder on the close of business on April 16, 2008.

Your vote is important.

As a unitholder of GENIVAR Income Fund, it is very important that you read this material carefully and vote your units, either by proxy or in person at the meeting.

The following pages tell you more about how to exercise your right to vote your units and provide additional information relating to the matters to be dealt with at the meeting.

By Order of the Board of Fund Trustees of GENIVAR Income Fund,



Pierre Shoiry, Trustee



Daniel Fournier, Trustee

Montreal, Quebec
April 21, 2008

PROXY CIRCULAR

In this proxy circular (the "**Circular**"), *you* and *your* refer to the unitholder of the Fund (the "**Unitholder**"). *We, us, our* and the *Fund* refer to GENIVAR Income Fund, the *Trust* refers to GENIVAR Operating Trust, *GENIVAR GP* refers to GENIVAR GP Inc., *GENIVAR LP* refers to GENIVAR Limited Partnership and *GENIVAR* refers to GENIVAR GP, GENIVAR LP and their subsidiaries, collectively. Unless otherwise stated, all dollar amounts contained in this Circular are expressed in Canadian currency.

This Circular is for our annual Unitholder meeting to be held on May 22, 2008 (the "**Meeting**"). As a Unitholder, you have the right to vote your units on the election of certain of the trustees and certain of the directors, the appointment of the auditors and on any other items that may properly come before the Meeting or any adjournment thereof.

To help you make an informed decision, please read this Circular. This Circular tells you about the Meeting, the nominee trustees and directors, the proposed auditors, our corporate governance practices, the compensation of the trustees of the Fund ("**Fund Trustees**"), the directors of GENIVAR GP (the "**GP Directors**") and certain officers as well as other matters. The information in this document was current as at April 21, 2008, unless otherwise indicated. Financial information on the Fund is provided in its consolidated financial statements and management's discussion and analysis (MD&A) for the year ended December 31, 2007.

Your proxy is solicited by or on behalf of the Fund Trustees for use at the Meeting. In addition to solicitation by mail, employees or agents may solicit proxies by telephone or by other means. The cost of any such solicitation will be borne by GENIVAR LP. GENIVAR LP may also reimburse brokers and other persons holding shares in their names, or in the names of nominees, for their costs incurred in sending proxy materials to beneficial owners and obtaining their proxies or voting instructions.

Approval of this Circular

The board of Fund Trustees (the "**Board of Fund Trustees**") approved the contents of this Circular and authorized it to be sent to each Unitholder who is eligible to receive notice of, and vote his or her units at our Meeting, as well as to each of Fund Trustees and to the auditors of the Fund.

VOTING YOUR UNITS

A. Your vote is important

As a Unitholder, it is very important that you read the following information on how to vote your units and then vote your units, either by proxy or in person at the Meeting.

These securityholder materials are being sent to both registered and non-registered Unitholders. If you are a non-registered Unitholder, and the Fund or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials directly to registered Unitholders and certain non-registered Unitholders, the Fund or its agent (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your proxy as specified in this Circular and in the form of proxy.

B. Voting

You can attend the Meeting or you can appoint someone else to vote for you as your proxyholder. A Unitholder entitled to vote at the Meeting may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who are not required to be Unitholders, to attend and act at the Meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy. Voting by proxy means that you are giving the person named on your form of proxy (the "**Proxyholder**") the authority to vote your units for you in accordance with your instructions at the Meeting or any adjournment thereof.

The persons who are named on the form of proxy are Fund Trustees ("**Named Proxyholders**") and will vote your units for you in accordance with your instructions. **You have the right to appoint someone else to be your Proxyholder.** If you appoint someone else, he or she must attend the Meeting to vote your units.

You may appoint a maximum of five (5) Proxyholders to act singly, jointly, unanimously, in succession or in the alternative.

How to vote – registered Unitholders.

You are a registered Unitholder if your name appears on your unit certificate.

By proxy

Complete your form of proxy and return it in the envelope we have provided or by delivery to one of CIBC Mellon's principal offices in Halifax, Montreal, Toronto, Calgary or Vancouver **for receipt before 4:00 p.m. (Montreal time) on May 20, 2008 or with the Secretary of the Meeting prior to commencement of the Meeting on the day of the Meeting or on the day of any adjournment thereof.** A list of addresses for the principal Corporate Trust Offices of CIBC Mellon is set forth at the end of this Circular.

If you return your proxy by mail, you can appoint a person other than the Named Proxyholders as your Proxyholder. This person does not have to be a Unitholder. Fill in the name of the person you are appointing in the blank space provided on the form of proxy. Complete your voting instructions, and date and sign the form. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting.

Please refer to the section of this Circular "Completing the form of proxy" for further details.

In person at the Meeting

You do not need to complete or return your form of proxy.

You will receive an admission ticket at the Meeting upon registration at the registration desk.

How to vote – non-registered Unitholders

You are a non-registered Unitholder if your bank, trust company, securities broker or other financial institution (your "**Nominee**") holds your units for you.

If you are not sure whether you are a non-registered Unitholder, please contact CIBC Mellon at 1-800-387-0825.

As permitted under *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Fund has used a non-objecting beneficial owners list to send this Circular and the form of proxy directly to the non-objecting beneficial owners whose names appear on that list.

By proxy

Your Nominee is required to ask for your voting instructions before the Meeting. Please contact your Nominee if you did not receive a request for voting instructions in this package.

In most cases, non-registered Unitholders will receive a voting instruction form which allows them to provide their voting instructions by mail.

In person at the Meeting

You can vote your units in person at the Meeting if you have instructed your Nominee to appoint you as Proxyholder.

To do this, write your name in the space provided on the voting instruction form and otherwise follow the instructions of your Nominee.

C. Completing the form of proxy

You can choose to vote "For" or "Withhold" with respect to the election of the Fund Trustees and GP Directors, and the appointment of the auditors. If you are a non-registered Unitholder voting your units, please follow the instructions provided in the voting instruction form provided.

When you sign the form of proxy without appointing an alternate Proxyholder, you authorize the Named Proxyholders to vote your units for you at the Meeting in accordance with your instructions.

If you return your proxy without specifying how you want to vote your units, the Named Proxyholders will vote FOR the election of the nominee Fund Trustees and the nominee GP Directors who are named in this Circular and FOR the appointment of PricewaterhouseCoopers LLP as auditors of the Fund.

The Fund Trustees are not aware of any other matters which will be presented for action at the Meeting. If, however, other matters properly come before the Meeting, the Named Proxyholders will vote in accordance with their judgment, pursuant to the discretionary authority conferred by the proxy with respect to such other matters.

You have the right to appoint someone other than the Named Proxyholders to be your Proxyholder. If you are appointing someone else to vote your units for you at the Meeting, fill in the name of the person voting for you in the blank space provided on the form of proxy.

If you do not specify how you want your units voted, your Proxyholder will vote your units in favour of each item scheduled to come before the Meeting and as he or she sees fit on any other matter that may properly come before the Meeting.

A Proxyholder has the same rights as the Unitholder by whom it was appointed to speak at the Meeting in respect of any matter, to vote by way of ballot at the Meeting and, except where the Proxyholder has conflicting instructions from more than one Unitholder, to vote at the Meeting in respect of any matter by way of any show of hands.

If you are an individual Unitholder, you or your authorized attorney must sign the form of proxy. If you are a corporation or other legal entity, an authorized officer or attorney must sign the form of proxy.

Changing your vote

In addition to revocation in any other manner permitted by law, a Unitholder giving a proxy may revoke it by an instrument in writing executed by the Unitholder or the Unitholder's attorney authorized in writing and deposited either at the Montreal office of the Fund's transfer agent, CIBC Mellon, located at 2001 University Street, Suite 1600, Montreal, Quebec, H3A 2A6 or at the Fund's registered office, 1600, René-Lévesque Blvd. West, 16th Floor, Montreal, Quebec, H3H 1P9 at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof.

Voting requirements

The appointment of the auditors of the Fund and the election of certain of the Fund Trustees and of GP Directors will be determined by a majority of votes cast at the Meeting by proxy or in person. If there is a tie, the Chairman of the Meeting is not entitled to a second or casting vote, and the motion will not pass. CIBC Mellon counts and tabulates the votes.

Voting units and quorum

As at April 21, 2008, there were 12,902,439 units of the Fund ("**Units**") and 8,463,966 special voting units of the Fund ("**Special Voting Units**") issued and outstanding. Unitholders of record as at April 16, 2008 are entitled to receive notice of and vote at the Meeting. The list of Unitholders entitled to vote at the Meeting will be available for inspection after May 5, 2008 during usual business hours at the office of the Fund's transfer agent, CIBC Mellon, located at 2001 University Street, Suite 1600, Montreal, Quebec, H3A 2A6 and at the Meeting.

Pursuant to the amended and restated declaration of trust of the Fund dated May 16, 2006 (the "**Declaration of Trust of the Fund**"), a quorum is present at the Meeting if two or more individuals present in person either hold personally or represent as proxies not less in the aggregate than one Unit (including the Special Voting Units). If a quorum is present within 30 minutes of the time set for the Meeting, the Unitholders present or represented by proxy may proceed with the business of the Meeting. If a quorum is not attained within 30 minutes of the time fixed for the Meeting, the Meeting will stand adjourned to a day not less than 14 days later and to a place and time as chosen by the Chairman of the Meeting. If at such adjourned Meeting a quorum as defined above is not present, the Unitholders present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such adjourned Meeting in accordance with the notice calling same. The Chairman of the Board of Fund Trustees or any Fund Trustee or other person determined by the Fund Trustees shall be the Chairman of any meeting of Unitholders.

Any action to be taken by the Unitholders shall, except as otherwise required by the Declaration of Trust of the Fund on by law, be authorized when approved by a resolution passed by the affirmative votes of the holders(s) of more than fifty percent (50%) of the Units (including the Special Voting Units) issued and outstanding at that time who voted in respect of that resolution; either in person or by proxy, at a meeting of Unitholders at which a quorum was present, or by a resolution or instrument signed in one or more counterparts by the holders of all the Units (including Special Voting Units) issued and outstanding at that time entitled to vote on such resolution.

Principal Unitholders

Pursuant to the Declaration of Trust of the Fund, the Fund is authorized to issue an unlimited number of Units and an unlimited number of Special Voting Units representing voting rights in the Fund that accompany the non-subordinated exchangeable limited partnership units and the subordinated limited partnership units. As at April 21, 2008, 12,902,439 Units and 8,463,966 Special Voting Units were outstanding. Each Unit and Special Voting Unit carries the right to one vote on all matters which come before the Meeting.

As at April 21, 2008, to the knowledge of the Fund Trustees, no entity, other than GENIVAR Inc., beneficially owned, directly or indirectly, or exercised control or direction over Units carrying 10% or more of the votes attached to all outstanding Units. On April 21, 2008, GENIVAR Inc. held 3,732,121 non-subordinated exchangeable limited partnership units of GENIVAR LP (the "**Non-Subordinated Exchangeable LP Units**") and 4,731,845 subordinated limited partnership units of GENIVAR LP (the "**Subordinated Exchangeable LP Units**"), which represent a 39.6% indirect ownership of the Units, assuming the conversion of all such Non-Subordinated Exchangeable LP Units and Subordinated Exchangeable LP Units into Units, but which, except through the ownership of Special Voting Units, do not provide rights to vote to GENIVAR Inc. for the purpose of the Meeting. As at April 21, 2008, GENIVAR Inc. held 8,463,966 Special Voting Units, which represent 100% of the then currently outstanding Special Voting Units and 39.6% of the votes attached to all outstanding Units and Special Voting Units.

As at April 21, 2008, the executive officers of GENIVAR, as a group, owned directly a 30.06% equity interest in GENIVAR Inc., which owned directly or indirectly a 39.6% interest in GENIVAR LP. The board of directors of GENIVAR Inc. is composed of Pierre Shoiry, Ali Ettehadieh, Anita Smith, Marcel Boucher, Éric Tremblay, Rob Harmer, Marc Rivard and François Perreault. All the shareholders of GENIVAR Inc. are subject to a shareholders' agreement providing for their rights and obligations in GENIVAR Inc.

BUSINESS OF THE MEETING

Four items will be covered at the Meeting:

1. Presentation to Unitholders of the consolidated financial statements of the Fund for the year ended December 31, 2007, including the auditors' report thereon;
2. Election of certain Fund Trustees and of certain GP Directors who will serve until the next annual Unitholder Meeting or until their successors are appointed;
3. Appointment of the auditors of the Fund and authority granted to fix their remuneration; and
4. Consideration of such other business, if any, that may properly come before the Meeting or any adjournment thereof.

As at the date of this Circular, the Fund Trustees are not aware of any changes to these items, and do not expect any other items to be brought forward at the Meeting. If there are changes or new items, your Proxyholder can vote your units on these items as he or she sees fit.

1. Presentation of the financial statements of the Fund

The consolidated financial statements of the Fund for the year ended December 31, 2007, including the auditors' report thereon, are included in our 2007 annual report which is enclosed herewith and is also available on SEDAR at www.sedar.com. Copies of such statements will also be available at the Meeting.

2. Election of certain Fund Trustees and of certain GP directors

Five (5) individuals are to be elected as Fund Trustees and as GP Directors. Pursuant to the Securityholders' Agreement (as defined herein), the Board of Fund Trustees, the board of directors of GENIVAR GP (the "**Board of Directors**") and the board of trustees of the Trust shall be composed of the same individuals.

Fund Trustees and GP Directors are elected annually. Each Fund Trustee and GP Director will hold office until the next annual Meeting or until his successor is elected or appointed, unless his office is vacated at an earlier date.

Please refer to the section of this Circular entitled "The Nominee Fund Trustees and GP Directors" for further details.

If you do not specify how you want your Units voted, the Named Proxyholders or the other persons named as Proxyholders will cast the votes represented by proxy at the Meeting FOR the election of the nominee Fund Trustees and the nominee GP Directors who are named in this Circular.

3. Appointment of auditors

The Board of Fund Trustees, on the advice of the Audit Committee, recommends that PricewaterhouseCoopers LLP, Chartered Accountants, be reappointed as auditors of the Fund. PricewaterhouseCoopers LLP has served as auditors of the predecessor of GENIVAR since 1999 and as auditors of the Fund since its inception on May 16, 2006. The auditors appointed at the Meeting will serve until the next annual Unitholder Meeting or until their successors are appointed.

The Board of Directors, upon recommendation of the Audit Committee, approves, on an annual basis, the fees charged to GENIVAR by PricewaterhouseCoopers LLP.

If you do not specify how you want your Units voted, the Named Proxyholders or the other persons named as Proxyholders will cast the votes represented by proxy at the Meeting FOR the appointment of PricewaterhouseCoopers LLP as auditors.

Please find below the fees billed from January 1, 2006 to December 31, 2007 to PricewaterhouseCoopers LLP and its affiliates:

Audit Fees

From February 1, 2006 to December 31, 2006 and during the twelve-month period ended December 31, 2007, PricewaterhouseCoopers LLP billed the Fund (and the predecessor to GENIVAR for the period of February 1, 2006 to May 2006) and its subsidiaries an aggregate of \$285,750 and \$511,667 respectively, for audit services.

Audit Related Fees

From February 1, 2006 to December 31, 2006 and during the twelve-month period ended December 31, 2007, PricewaterhouseCoopers LLP billed the Fund (and the predecessor to GENIVAR for the period of February 1, 2006 to May 2006) and its subsidiaries an aggregate of \$158,277 and \$245,868 respectively, for assurance and related services that are reasonably related to the performance of the audit or review of the Fund's financial statements and which are not included in the amount reported above under the heading "Audit Fees".

Tax Fees

From February 1, 2006 to December 31, 2006 and during the twelve-month period ended December 31, 2007, PricewaterhouseCoopers LLP billed the Fund (and the predecessor to GENIVAR for the period of February 1, 2006 to May 2006) and its subsidiaries an aggregate of \$11,000 and \$23,646 respectively, for professional services rendered by PricewaterhouseCoopers LLP for tax compliance, tax advice and tax planning.

All other Fees

From February 1, 2006 to December 31, 2006 and during the twelve-month period ended December 31, 2007, PricewaterhouseCoopers LLP did not bill the Fund (and the predecessor to GENIVAR for the period of February 1, 2006 to May 2006) or any of its subsidiaries for any products and services other than those included in the amounts reported above under "Audit Fees", "Audit Related Fees" and "Tax Fees".

4. Consideration of other business

We will invite questions and comments from Unitholders.

THE NOMINEE AND GP DIRECTORS

The Fund, the Trust, GENIVAR LP, GENIVAR GP and GENIVAR Inc. are parties to a securityholders' agreement dated May 25, 2006 which was amended on September 13, 2007 to include 4432011 Canada Inc., a wholly-owned subsidiary of GENIVAR Inc., as a party to the agreement (the "**Securityholders' Agreement**"). As at April 21, 2008, GENIVAR Inc. held 3,732,121 Non-Subordinated Exchangeable LP Units and 4,731,845 Subordinated Exchangeable LP Units, which represent a 39.6% indirect ownership of Units, assuming the conversion of all such Non-Subordinated Exchangeable LP Units and Subordinated Exchangeable LP Units into Units. As at April 21, 2008, GENIVAR Inc. held 8,463,966 Special Voting Units, which represent 100% of the then currently outstanding Special Voting Units and 39.6% of the votes attached to all outstanding Units and Special Voting Units.

Five (5) Fund Trustees and five (5) GP Directors shall be elected at the Meeting. The individuals to serve as Fund Trustees shall be the same individuals as those serving as GP Directors and only Fund Trustees may be appointed or nominated as GP Directors. At all times, a majority of the Fund Trustees and of the GP Directors must be (i) independent, as determined pursuant to *National Instrument 58-101 – Disclosure Corporate Governance Practices*, of the Fund, the Trust, GENIVAR GP, GENIVAR Inc., 4432011 Canada Inc. and any direct or indirect wholly-owned subsidiary thereof and (ii) residents of Canada.

Pursuant to the Securityholders' Agreement, so long as GENIVAR Inc. (the "**Existing Investor**") owns, directly or indirectly:

- (i) more than 30% of the Units (calculated on a fully diluted basis and assuming the conversion of all Non-Subordinated Exchangeable LP Units and Subordinated Exchangeable LP Units into Units), then the number of Fund Trustees and GP Directors is fixed at seven (7), three (3) of whom may be appointed by the Existing Investor and four (4) of whom shall be ultimately elected by the public Unitholders;
- (ii) 30% or less but not less than 20% of the Units (calculated on a fully diluted basis and assuming the conversion of all Non-Subordinated Exchangeable LP Units and Subordinated Exchangeable LP Units into Units), then the number of the Fund Trustees and GP Directors is fixed at seven (7), two (2) of whom shall be appointed by the Existing Investor and five (5) of whom shall be ultimately elected by the public Unitholders;
- (iii) less than 20% but not less than 10% of the Units (calculated on a fully diluted basis and assuming the conversion of all Non-Subordinated Exchangeable LP Units and Subordinated Exchangeable LP Units into Units), then the number of Fund Trustees and GP Directors is fixed at seven (7), one (1) of whom shall be appointed by the Existing Investor and six (6) of whom shall be ultimately elected by the public Unitholders.

The Existing Investor's right to appoint Fund Trustees and GP Directors shall cease when the Existing Investor owns, directly or indirectly, less than 10% of the Units (calculated on a fully diluted basis and assuming the conversion of all Non-Subordinated Exchangeable LP Units and Subordinated Exchangeable LP Units into Units).

Despite the fact that the Existing Investor owns more than 30% of the Units (calculated on a fully diluted basis and assuming the conversion of all Non-Subordinated Exchangeable LP Units and Subordinated LP Units into Units) and is entitled to appoint three (3) Fund Trustees and GP Directors, the Existing Investor has elected to appoint only Pierre Shoiry and Ali Ettehadieh to act as Fund Trustees and GP Directors.

Therefore, at the Meeting, holders of Units and of Special Voting Units will be entitled to elect five (5) of the proposed Fund Trustees and GP Directors being Daniel Fournier, Pierre Seccareccia, Pierre Simard, Lawrence Smith and Richard Bélanger. However, there can be no assurance that the Existing Investor will not exercise its right to nominate three (3) Fund Trustees and GP Directors in the future. Holders of Units and of Special Voting Units are entitled to one vote for each whole Unit and Special Voting Unit held. **GENIVAR Inc. holds Special Voting Units giving it 39.6% of votes that may be cast at the Meeting for the election of Daniel Fournier, Pierre**

Seccareccia, Pierre Simard, Lawrence Smith and Richard Bélanger and intends to vote FOR the election of such proposed nominees.

The table below sets out, among other things, the names of the proposed nominees for election as Fund Trustees and GP Directors, together with their municipality of residence, the date at which they became trustees and directors, and their principal occupation. Also indicated is the number of Units owned or over which control or direction was exercised as at April 21, 2008.

As at April 21, 2008, the executive officers of GENIVAR, as a group, owned directly a 30.6% equity interest in GENIVAR Inc., which owned directly or indirectly a 39.6% interest in GENIVAR LP. The board of directors of GENIVAR Inc. is composed of Pierre Shoiry, Ali Ettahadieh, Anita Smith, Marcel Boucher, Éric Tremblay, Rob Harmer, Marc Rivard and François Perreault. All the shareholders of GENIVAR Inc. holding common shares are also employees of GENIVAR and are subject to a shareholders' agreement providing for their rights and obligations in GENIVAR Inc.

Name and Municipality of Residence	Position with the Fund	Principal Occupation	Trustee of the Fund, Trustee of the Trust and GP Director since	Number of Units Beneficially Owned or over which Control of Direction is Exercised
Pierre Shoiry Town of Mount-Royal, Quebec	President and Chief Executive Officer, Fund Trustee, trustee of the Trust and GP Director	President and Chief Executive Officer of GENIVAR LP	May 16, 2006	-
Ali Ettahadieh Montreal, Quebec	Fund Trustee, trustee of the Trust, GP Director and Vice President, Project services and international	Vice President, Project services and international of GENIVAR LP	May 16, 2006	-
Daniel Fournier ⁽¹⁾ Outremont, Quebec	Fund Trustee, trustee of the Trust, GP Director and Chairman of the Board of Fund Trustees, board of trustees of the Trust and Board of Directors	President of ACNG Capital Inc. (real estate advisory company)	May 16, 2006	5,000
Pierre Seccareccia ^{(2) (4)} Candiac, Quebec	Fund Trustee, trustee of the Trust and GP Director	Corporate Director	May 16, 2006	3,000
Pierre Simard ^{(2) (3)} Westmount, Quebec	Fund Trustee, trustee of the Trust and GP Director	President of Champlain Financial Corporation (Canada)	May 17, 2007	-
Lawrence Smith, Q.C. ⁽³⁾ Calgary, Alberta	Fund Trustee, trustee of the Trust and GP Director	Partner, Bennett Jones LLP	May 17, 2007	1,000

Name and Municipality of Residence	Position with the Fund	Principal Occupation	Trustee of the Fund, Trustee of the Trust and GP Director since	Number of Units Beneficially Owned or over which Control of Direction is Exercised
Richard Bélanger ^{(2) (3) (5)} Lac Beauport, Quebec	Fund Trustee, trustee of the Trust and GP Director	President of Groupe Toryvel Inc., President of Stetson Timberlands, Inc. and President, Chief Executive Officer and Director of Theseus Capital Inc.	May 17, 2007	3,000

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- (1) Chairman of the Board of Fund Trustees, trustees of the Trust and GP Directors.
(2) Member of the Audit Committee.
(3) Member of the Corporate Governance, Nominating and Compensation Committee.
(4) Chairman of the Audit Committee.
(5) Chairman of the Corporate Governance, Nominating and Compensation Committee.

Biographies

Pierre Shoiry, President and Chief Executive Officer, Fund Trustee, trustee of the Trust and GP Director has 25 years of experience in the engineering services industry. He is also director of 5N Plus Inc., a company specializing in metal purification for the electronic industry. He began his career in 1980 with a major engineering services firm in Quebec. Employed by GENIVAR or its predecessor company since 1989, he was previously Senior Associate Engineer in Municipal Infrastructures and Vice President of Business Development. He has been President of GENIVAR or its predecessor company since 1995. Mr. Shoiry has been a member of the Ordre des Ingénieurs du Québec since 1980. From 2002 to 2003, he was Chairman of the Association of the Canadian Engineering Companies (ACEC) and actively participated in promoting the engineering services industry in Canada and abroad. He was also President of the Association of Consulting Engineers of Quebec from 1998 to 1999. He holds a Bachelor's degree in applied science with a major in civil engineering, as well as a Master's degree in applied science, from Laval University.

Ali Ettehadieh, Fund Trustee, trustee of the Trust, GP Director and Vice President, Project services and international, has more than 30 years of experience in project management, cost control and budgets, and value engineering, in Canada and internationally. In 1986, he founded Gespro SST inc., a project management company that became a part of the predecessor company of GENIVAR in 1998. Mr. Ettehadieh is a member of the Ordre des Ingénieurs du Québec, the Professional Engineers of Ontario and the American Society of Value Engineering. He is a civil engineering graduate of the École polytechnique de Montreal (1974) and holds a Master's degree in applied science from McGill University (1978).

Daniel Fournier, Fund Trustee, trustee of the Trust, GP Director, Chairman of the Board of Fund Trustees, trustee of the Trust and GP Directors, has more than 20 years of experience in business administration. Since 1998, Mr. Fournier has served as President of ACNG Capital Inc., a real estate advisory company. From 1986 to 1997, Mr. Fournier was Chairman and majority shareholder of Ogilvy, a Montreal retail company. Mr. Fournier is also currently Vice Chairman and Director of CB Richard Ellis Canada. He serves on the board of directors of Canadian Tire Corporation and the Canadian Tire Bank. Mr. Fournier was a Trustee of Summit REIT as well as a member of the independent special committee until the sale of Summit REIT for \$3.2 billion to ING Canada in January 2007. He has also served on the board of Standard Life of Canada, and Standard Life Trust. Mr. Fournier is also the founding Chairman of NF (Neurofibromatosis) Canada. He is the past Chairman of McCord Museum of Canadian History and past Vice Chairman of the Fondation Jean Lapointe as well as a past member of both the YWCA and YMCA Foundations. He holds a Bachelor of History degree from Princeton University (1977) and a Bachelor of Arts in Jurisprudence from Oxford University (1980).

Pierre Seccareccia, Fund Trustee, trustee of the Trust and GP Director, has more than 35 years of experience in financial consulting and management. A Partner of the Coopers & Lybrand accounting firm from 1976 to 1998, he acted as Managing Partner for its Montreal south shore office from 1987 to 1989, for its Montreal central office from 1992 to 1996, and for its offices in the Province of Quebec from 1996 to 1998. Following the merger in 1998 of Coopers & Lybrand with Price Waterhouse, he acted as Managing Partner for the Montreal office of PricewaterhouseCoopers LLP from 1998 to 2001. Since 2003, he is a full-time director for various public and private entities. Mr. Seccareccia is currently a Director of Boralex Inc., GLV Inc., Medicago Inc. and New Millennium Capital Corp. Mr. Seccareccia is a Fellow of the Quebec Order of Chartered Accountants, a member of the Institute of Corporate Directors (Canada) and of the National Association of Corporate Directors (U.S.A.). He is a graduate from École des Hautes Études Commerciales (1969).

Pierre Simard, Fund Trustee, trustee of the Trust and GP Director, has more than 15 years of experience in the financial and banking industry. Mr. Simard is Managing Member and President of Champlain Financial Corporation (Canada) Inc. and Managing Director of Champlain Capital Management LLC, a merchant banking firm, which he co-founded in 2001. Prior to 2001, Mr. Simard worked as an investment banker with Lazard Frères & Co. LLC and Donaldson Lufkin & Jenrette Inc. where he arranged mergers and acquisitions and debt and equity financing. He also worked for Canadian Imperial Bank of Commerce and for Lancaster Financial Corp., a private investment banking firm in Toronto. Mr. Simard is currently a Director of Groupe Bocenor Inc. Mr. Simard holds a Bachelor degree from Laval University in Chemical Engineering, has a graduate degree in Management from l'Université

Catholique de Louvain (Belgium), and holds an M.B.A. from Johnson Graduate School of Management at Cornell University.

Lawrence Smith, Q.C., Fund Trustee, trustee of the Trust and GP Director, has more than 25 years of experience as a lawyer practicing in the energy industry. Mr. Smith has served as Vice-Chairman of Bennett Jones LLP, a national law firm based in Calgary, Alberta and is former counsel to the National Energy Board. Mr. Smith is a member of the Advisory Board to the Montreal Neurological Institute and the U.S. Federal Energy Bar Association. He also serves as director on the board of various public and private entities such as Alberta Northeast Gas Limited, DE Marketing Canada Ltd., Duke Energy Services Canada Ltd., DTMSI Management Ltd., WBI Canadian Pipeline, Ltd. and International Frontier Resources Corporation, among others. Mr. Smith holds Bachelor degrees from St. Patrick's College and University of Ottawa (LLB) and a Master's degree from Oxford University. He was appointed Queen's Counsel in 2000.

Richard Bélanger, Fund Trustee, trustee of the Trust and GP Director, has more than 25 years of experience in business development, financing and business management. Since 1993, he has served as President of Toryvel Group Inc., an investment firm of which he is the co-owner and has been President of Stetson Timberlands Inc., since 1988. Mr. Bélanger also serves as Chairman of the audit committee, is a member of the risk management committee and director on the board of the Laurentian Bank of Canada and he sits on the board of directors and the audit committee of Stella-Jones Inc. He has been President, Chief Executive Officer and Chairman of the audit committee (founder) of Theseus Capital Inc., since 2005. From May 2003 to July 2004, he was Senior Vice President for eastern operations and corporate development of Canfor Corporation. From 1996 to 2003, he was the President and Chief Executive Officer of Daaquam Lumber Inc. and Chairman of the board and Chief Executive Officer of Produits Forestiers Anticosti Inc., two companies which he co-owned. From 1991 to 1996, he was the President and Managing Director of Gérard Crête et Fils Inc. He was also Co-Chairman of the Canadian Lumber Trade Alliance (2001-2004), Co-Chairman of the International Trade Committee (1999-2004), Chairman of the Quebec Forest Industry Council (1997-1998) and Chairman of Forintek Canada Corporation (2001-2003). Mr. Bélanger is a Fellow of the Ordre des comptables agréés du Québec and holds a Bachelor's degree in accounting and administrative science from Laval University.

REMUNERATION OF THE FUND TRUSTEES AND GP DIRECTORS

The compensation structure of the Board of Fund Trustees and the Board of Directors is designed to attract and retain highly talented and experienced trustees and directors, leading to the long-term success of GENIVAR. This requires that Fund Trustees and GP Directors be adequately and competitively compensated.

The Board of Fund Trustees and the Board of Directors have determined that the Fund Trustees and GP Directors should be compensated in a form and amount which is appropriate and which is customary for comparable funds, having regard for such matters as time commitment, responsibility and trends in trustee compensation.

As shown in the table below, during the course of 2007, GENIVAR reviewed and modified the compensation it paid to its Fund Trustees and GP Directors. The change in compensation was effected further to a benchmarking exercise conducted with respect to the compensation paid to directors and trustees of public companies comparable to GENIVAR.

Compensation for Fund Trustees and GP Directors is \$45,000 per individual per year. Each Fund Trustee that is the Chairman of the Audit Committee or the Corporate Governance, Nominating and Compensation Committee (collectively, the "**Committees**") receives an additional compensation of respectively \$10,000 and \$7,500 per year. The Chairman of the Board of Fund Trustees and the Board of Directors receives an additional compensation of \$30,000 per year. GENIVAR also reimburses Fund Trustees for out-of-pocket expenses for attending meetings. No compensation is paid to Fund Trustees who are members of management (other than for fees for attending board meetings that do not run concurrently with meetings of the Board of Fund Trustees).

In 2008, GENIVAR intends to put in place a Risk Management Committee for which GENIVAR intends to pay an annual retainer fee of \$2,500 to the Chairman of such Committee.

The table below shows the fee schedule for 2007. All fees are paid in Canadian dollars.

<u>Type of Fee</u>	<u>Yearly Amount per Individual from January 1st, 2007 to December 1st, 2007</u>	<u>Yearly Amount per Individual from December 1st, 2007 to December 31st, 2007</u>
Annual Retainer		
Board of Fund Trustees ⁽¹⁾	\$35,000	\$45,000
Audit Committee Chairman	\$5,000	\$10,000
Governance Committee Chairman	\$5,000	\$7,500
Chairman of the Board of Fund Trustees and Board of Directors	–	\$30,000

⁽¹⁾ No compensation is paid to Fund Trustees who are members of management of GENIVAR.

CERTAIN PROCEEDINGS

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed hereunder, to the knowledge of the Fund and GENIVAR, in the last ten years, no Fund Trustee, no trustee of the Trust nor any GP Director or executive officer of GENIVAR is or has been, within ten years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that, (a) while that person was acting in that capacity was the subject of a cease trade order or similar order, or an order that denied the relevant company access to any exemptions under securities legislation, for a period of more than thirty (30) consecutive days, (b) was subject to a cease trade order or similar order or an order that denied the relevant company access to an exemption under securities legislation, for a period of more than 30 consecutive days that was issued after that person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or (c) while that person was acting in that capacity, or 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:

- (i) Pierre Simard was a director of GBO Inc., previously Groupe Bocenor Inc., a public company listed on the TSX, when it filed for protection under the Company's Creditor Arrangement Act (the "CCAA") in 2001; and
- (ii) Pierre Simard was a director of Huntingdon Mills (Canada) Ltd., a private corporation, when it filed a notice of intention to file a proposal under the CCAA in 2002.

Penalties or Sanctions

To the knowledge of the Fund and GENIVAR, no Fund Trustee, no trustee of the Trust nor any GP Director or executive officer of GENIVAR, (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority (ii) has entered into a settlement agreement with a securities regulatory authority regarding any securities penalties or sanctions listed in (i) or (iii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

To the knowledge of the Fund and GENIVAR, no Fund Trustee, no trustee of the Trust nor any GP Director or executive officer of GENIVAR has, within the ten (10) years before the date of this 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 Fund Trustee, trustee of the Trust, GP Director or executive officer of GENIVAR LP.

STATEMENT OF GOVERNANCE PRACTICES

We consider corporate governance practices to be an important factor in our success and we aspire to uphold high standards of corporate governance throughout our organization. These high standards reflect not only legal and regulatory requirements of corporate governance but also existing and emerging practices.

The Board of Fund Trustees and the Board of Directors have reviewed the respective governance practices of the Fund and GENIVAR GP and conclude that, except as provided below, the Fund and GENIVAR GP comply with the requirements of *National Instrument 58-201 – Corporate Governance Guidelines*.

The following descriptions reflect the Fund’s compliance with *National Instrument 58-101 – Disclosure of Corporate Governance*.

Board of Fund Trustees and Board of Directors

Independence

The Securityholders’ Agreement provides that, at all times, a majority of the members of the Board of Fund Trustees and of the Board of Directors must be independent, within the meaning of *National Instrument 58-101 – Disclosure of Corporate Governance Practices*, of the Fund, the Trust, GENIVAR GP and the Existing Investor. A Fund Trustee or a GP Director is “independent” if the Board of Trustees and Board of Directors determine that the Fund Trustee or the GP Director is not a member of management of the Fund or GENIVAR (including, as applicable, its subsidiaries and affiliates) and is free from any interest and any business, family or other relationship which would, or could reasonably be perceived to, interfere with the Fund Trustee’s or the GP Director’s ability to act with a view to serving the best interests of the Fund or GENIVAR, other than interests and relationship arising from unitholding in the Fund.

The Board of Fund Trustees and the Board of Directors is composed of seven (7) members, the majority of whom is “independent”, within the meaning of the *National Instrument 58-101 – Disclosure of Corporate Governance Practices*, being free from any direct or indirect material relationship with the Fund, the Trust, GENIVAR GP, the Existing Investor and any of their subsidiaries. The following table describes the independence status of the nominee Fund Trustee and GP Directors, as determined by the Board of Fund Trustees and the Board of Directors:

<u>Name</u>	<u>Independent</u>	<u>Not Independent</u>	<u>Reason for Not Being Independent</u>
Pierre Shoiry		✓	President and Chief Executive Officer of GENIVAR LP and director of GENIVAR Inc.
Ali Ettehadieh		✓	Vice President, Project services and international of GENIVAR LP and director of GENIVAR Inc.
Daniel Fournier	✓		
Pierre Seccareccia	✓		
Pierre Simard	✓		
Lawrence Smith	✓		

Name	Independent	Not Independent	Reason for Not Being Independent
Richard Bélanger	✓		

Directorships of Other Reporting Issuers

Some Fund Trustees and GP Directors are presently directors of certain public entities. Daniel Fournier is currently a director of the Canadian Tire Corporation Limited. Pierre Seccareccia is currently a director of Boralex Inc., GLV Inc., Medicago Inc. and New Millennium Capital Corp. Lawrence Smith is currently a director of International Frontier Resources Corporation. Richard Bélanger is currently a director of Theseus Capital Inc., Banque Laurentienne du Canada, and Stella-Jones Inc. Pierre Simard is currently a director of GBO Inc. (previously Groupe Bocenor Inc.). Pierre Shoiry is currently a director of 5N Plus Inc.

Independent Trustees' and Directors' Meetings

The Board of Fund Trustees generally holds joint meetings with the Board of Directors and the Board of trustees of the Trust. Before and after each meeting, if need be, the independent members of both boards have an opportunity to meet without management. During the last completed financial year, at each meeting of the Board of Fund Trustees and the Board of Directors, an *in camera* session took place where management did not participate.

Attendance Record

See "Schedule A" of this Circular for the attendance records of each Fund Trustee and GP Director for each of the meetings of the Board of Fund Trustees, the Board of Directors and the Committees since the beginning of 2007 financial year.

Board Size

The Board of Fund Trustees and the Board of Directors is composed of seven (7) members. The Board of Fund Trustees and the Board of Directors are of the view that a size of seven (7) members is adequate and allow the boards to be efficient decision making bodies.

Board Mandates

The Board of Fund Trustees and the Board of Directors have jointly adopted a written charter which sets out, among other things, their roles and responsibilities. The charter of the Board of Fund Trustees and of the Board of Directors is attached as "Schedule B" of this Circular.

Position Descriptions

Chairman of the Board of Fund Trustees and Board of Directors

The Board of Fund Trustees and the Board of Directors have adopted a position description for the Chairman of the Board of Fund Trustees and Board of Directors (the "**Chairman**"). The Chairman chairs the Board of Fund Trustees and Board of Directors meetings and establishes procedures to govern both of the boards' work. Some of the primary responsibilities of the Chairman include the following: (i) collaborating with other members of management to develop agendas and schedules for Board of Fund Trustees and Board of Directors' meetings and procedures, (ii) ensuring that the resources available to the Board of Fund Trustees and Board of Directors (in particular, timely and relevant information) are adequate to support its work, (iii) providing appropriate information from management to enable the Board of Fund Trustees and Board of Directors and Committees to exercise their accountabilities, and (iv) chair every meeting of the Board of Fund Trustees and Board of Directors and encourage free and open discussion at meetings of such boards.

Under applicable securities laws, the Chairman, Mr. Daniel Fournier is deemed to be independent of the Fund, GENIVAR, the Existing Investor and any of their subsidiaries.

President and Chief Executive Officer

The Board of Fund Trustees and the Board of Directors have adopted a position description for President and Chief Executive Officer (the "CEO"). The President and CEO is accountable to the Board of Fund Trustees and the Board of Directors for the effective overall management of GENIVAR and for conformity with policies agreed upon by the Board of Fund Trustees and Board of Directors. The President and CEO shall have full responsibility for the day-to-day operations of the business of GENIVAR and its subsidiaries in accordance with the strategic plan and operating and capital budgets. The approval of the Board of Fund Trustees and Board of Directors (or any appropriate Committee) shall be required for all significant decisions outside of the ordinary course of the GENIVAR's business, including major financings, acquisitions and dispositions or material departures from the strategic plan or budgets. Without limiting the generality of the foregoing, the President and CEO shall (i) establish a strong working relationship with the Board of Fund Trustees and the Board of Directors, (ii) develop an annual operating plan and financial budget that support GENIVAR's long-term strategy, (iii) maintain a positive and ethical work climate that is conducive to attracting, retaining and motivating top-quality employees at all levels, (iv) keep the Board of Fund Trustees and Board of Directors aware of GENIVAR's performance and events affecting its business, including opportunities in the marketplace and adverse or positive developments, and (v) ensure that GENIVAR has an effective management team below the level of the CEO, and has an active plan for its development and succession.

Chairman of each Committee

The Chairmen of the Audit Committee and the Corporate Governance, Nominating and Compensation Committee are, respectively, Pierre Seccareccia and Richard Bélanger, both independent directors.

Position descriptions have been adopted by the Board of Fund Trustees and Board of Directors for the Chairman of each of the Audit Committee and the Corporate Governance, Nominating and Compensation Committee. According to such position descriptions, the Chairman of each Committee shall, among other things: (i) provide leadership to enable the Committee to act effectively in carrying out its duties and responsibilities, (ii) ensure that there is an effective relationship between management and the members of the Committee, (iii) in consultation with the CEO, the Chief Legal Officer and the Chairman of the Board of Fund Trustees and Board of Directors, determine the frequency, dates and locations of meetings of the Committee, (iv) report to the Board of Fund Trustees and Board of Directors on the matters reviewed by, and on any decisions or recommendations of, the Committee at the next Meeting of the Board of Fund Trustees and Board of Directors following any Meeting of the Committee, and (v) ensure the proper flow of information to the Committee.

Orientation and Continuing Education

The Board of Fund Trustees and the Board of Directors consider that orienting and educating new Fund Trustees and new GP Directors is an important element of ensuring responsible governance. The Corporate Governance, Nominating and Compensation Committee is mandated to oversee the orientation and education process for newly appointed trustees and directors.

New Fund Trustees and new GP Directors are provided with GENIVAR's continuous disclosure documents, copies of the charters of the Board of Fund Trustees and Board of Directors and the Committees, copies of the position descriptions of the Chairman, President and CEO and the Chairman of each of the Committees, and are invited to attend orientation sessions with members of senior management as well as with the President and CEO to improve their understanding of GENIVAR's business. Each Fund Trustee or GP Director is invited to address to the Corporate Governance, Nominating and Compensation Committee any request he may have regarding additional information or education and the Corporate Governance, Nominating and Compensation Committee undertakes to review such requests and take the appropriate measures.

The Corporate Governance, Nominating and Compensation Committee ensures that Fund Trustees and GP Directors are provided with continuing education opportunities in an effort to keep Fund Trustees and GP Directors up to date

in their knowledge and understanding of their role and the nature of GENIVAR's business. In this regard, GENIVAR provides the Fund Trustees and GP Directors with regular reports on the operations and finance of GENIVAR. Management periodically gives Fund Trustees and GP Directors analyst studies, industry studies and benchmarking information. At each regular meeting of the Board of Fund Trustees and of the Board of Directors, the Fund Trustees and GP Directors are provided with updates and short summaries or relevant information. Documentation and selected presentations are also provided to the Fund Trustees and GP Directors to ensure that their knowledge and understanding of GENIVAR's business remains current. Furthermore, the Fund undertakes to assume the costs of any courses, sessions or conferences attended by Fund Trustees and GP Directors.

Code of Ethics and Business Conduct

GENIVAR has adopted a Code of Ethics and Business Conduct (the "**Code**"). This Code applies to all Fund Trustees, GP Directors as well as officers and employees of GENIVAR. A copy of the Code can be found on SEDAR at www.sedar.com. The Code addresses among other things, the following issues:

- (i) conflicts of interest;
- (ii) use of company assets;
- (iii) confidential information;
- (iv) fair dealing with other people and organizations;
- (v) compliance with laws, rules and regulations;
- (vi) employment policies;
- (vii) computer, e-mail and internet policies; and
- (viii) reporting suspected non-compliance.

The Corporate Governance, Nominating and Compensation Committee has the responsibility for monitoring compliance with and interpreting the Code. The Code also includes provisions whereby employees can report violations of the Code. The Board of Fund Trustees and the Board of Directors have concluded that such measures are appropriate and sufficient to ensure compliance with the Code.

No material change report was required to be filed in relation to any departure from the Code, during the most recently completed financial year, ended December 31, 2007.

To ensure the Fund Trustees and GP Directors exercise independent judgment in considering transactions, agreements or decisions in respect of which a Fund Trustee or a GP Director has a material interest, the Fund Trustees and the GP Directors shall disclose all actual or potential conflicts of interest and refrain from voting on such matter. A Fund Trustee or a GP Director shall also excuse himself or herself from any discussion or decision on any matter in which he or she is precluded from voting as a result of a conflict of interest or which otherwise affects his or her personal, business or professional interest.

Nomination of Fund Trustees and GP Directors

The nomination process for Fund Trustees and GP Directors is subject to the terms of the Securityholders' Agreement.

The Corporate Governance, Nominating and Compensation Committee is composed entirely of independent Fund Trustees and GP Directors and is responsible for (i) identifying and recommending to the Board of Fund Trustees and Board of Directors suitable Fund Trustee or GP Director candidates, (ii) determining the composition of the Board of Fund Trustees and Board of Directors, (iii) implementing and conducting a process to assess, on an annual

basis, the effectiveness of the Board of Fund Trustees and Board of Directors, their various Committees, and the individual performance of each Fund Trustee and GP Director, and (iv) nominating and evaluating, as well as planning succession for, officers and other senior management personnel of GENIVAR.

As part of the process, the Corporate Governance, Nominating and Compensation Committee considers what competencies and skills the Board of Fund Trustees and Board of Directors, each as a whole, should possess, assesses the skill sets of current Fund Trustees and GP Directors and identifies any additional skills sets deemed to be beneficial. The Corporate Governance, Nominating and Compensation Committee also considers the position held with other organizations and the other business and personal commitments of prospective Fund Trustee and GP Director candidates in order to determine whether they would be able to fulfill their duties as Board of Fund Trustees or Board of Directors members.

The Corporate Governance, Nominating and Compensation Committee has the authority to engage and set the compensation of outside counsel and other outside advisors as it deems appropriate to assist the Corporate Governance, Nominating and Compensation Committee in the performance of its functions.

Please see the section "Committees" of this Circular for a description of the responsibilities, powers and operations of the Corporate Governance, Nominating and Compensation Committee.

Compensation

The Corporate Governance, Nominating and Compensation Committee is composed entirely of independent Fund Trustees and GP Directors and is responsible for assisting the Board of Fund Trustees and Board of Directors in relation with the determinations of the Fund Trustees' and GP Directors' remuneration for board and committee services and the compensation of officers and other senior management personnel of GENIVAR.

For the fiscal year 2007, the Corporate Governance, Nominating and Compensation Committee retained the services of PCI-Perrault Consulting Inc. as external compensation advisor to carry out ongoing assignments relating to executive compensation. PCI-Perrault Consulting Inc. received \$26,452 for work performed for the fiscal year 2007.

Please refer to the sections of this Circular "Remuneration of Fund Trustees and GP Directors of GENIVAR GP" and "Executive Compensation" for additional information on executive and GP Director's and Fund Trustee's compensation.

Please see the section "Committees" of this Circular for a description of the responsibilities, powers and operations of the Corporate Governance, Nominating and Compensation Committee.

Board Committees

There are two joint Committees of the Board of Fund Trustees and of the Board of Directors: the Audit Committee and the Corporate Governance, Nominating and Compensation Committee. Please refer to the section of this Circular entitled "Committees" for a description of the responsibilities, powers and operations of such Committees.

Assessments

The Corporate Governance, Nominating and Compensation Committee assumes the responsibility of assessing the effectiveness of the Board of Fund Trustees and of the Board of Directors, the Committees and the contribution of individual Fund Trustees and GP Directors on an annual basis. In order to do so, the Corporate Governance, Nominating and Compensation Committee may (i) survey of all Fund Trustees and GP Directors to allow each Fund Trustee and GP Director to assess the effectiveness and performance of the Board of Fund Trustees and Board of Directors and their Chairman, the Committees and their respective Chairman, as well as to appraise his or her own participation on the Board of Fund Trustees and Board of Directors and report to the Board of Fund Trustees and Board of Directors the results of such assessment, (ii) review and discuss with each of the Committees the adequacy of the mandate adopted by each Committee, and recommend changes as deemed appropriate by the Board of Fund

Trustees and Board of Directors, and (iii) evaluate, review and report to the Board of Fund Trustees and Board of Directors its own performance and effectiveness.

The Corporate Governance, Nominating and Compensation Committee reports periodically on its activities to the Board of Fund Trustees and Board of Directors.

In order to assess the performance and effectiveness of individual directors and trustees, the Board of Fund Trustees, the Board of Directors and their Committees used, during the fiscal year 2007, the following assessment tools:

- an Individual Self-Evaluation Form for the Fund Trustees and GP Directors; and
- an Evaluation Form for Boards and Committees' Effectiveness.

The results from these assessment tools were collated and discussed by the Chairman at a meeting of the Board of Fund Trustees and the Board of Directors and during an *in-camera* meeting of the Board of Fund Trustees and Board of Directors. Following such meetings, the Board of Fund Trustees and the Board of Directors decided that they would expand the continuous education program by organizing training sessions in which certain executive officers of GENIVAR would provide information regarding their respective field of expertise within the GENIVAR organization.

During fiscal year 2007, the Board of Fund Trustees and the Board of Directors met 8 times.

COMMITTEES

The Board of Directors and the Board of Fund Trustees have an Audit Committee and a Corporate Governance, Nominating and Compensation Committee. The Board of Directors has formed such Committees that fulfill the audit, governance and other committee functions of both the Fund and GENIVAR GP as they, in their discretion, determined.

Both Committees are composed of independent Fund Trustees and GP Directors. The roles and responsibilities of each Committee are set out in their respective charters.

This section includes reports from each Committee, which tell you about its members, responsibilities and activities.

Audit Committee

The Audit Committee is composed of three members: Pierre Seccareccia (Chairman), Pierre Simard and Richard Bélanger. Each of Pierre Seccareccia, Pierre Simard and Richard Bélanger is "independent" and "financially literate" within the meaning of *Multilateral Instrument 52-110 – Audit Committees*. The members of the Audit Committee have no relationships with management, the Fund, GENIVAR GP, the Existing Investor and their related entities that in the opinion of the Board of Fund Trustees and Board of Directors may interfere with their independence from management and from the Fund or GENIVAR GP.

The role of the Audit Committee is to assist the Board of Fund Trustees and Board of Directors in its oversight and supervision of:

1. The integrity of the financial reporting of each of the Fund, the Trust, GENIVAR LP and GENIVAR GP;
2. GENIVAR's internal controls and, where applicable, disclosure controls;
3. The independence, qualifications and performance of the external auditor and eventually the performance of an internal auditor; and
4. GENIVAR's compliance with applicable legal and regulatory requirements.

The Audit Committee's responsibilities include the following:

1. On a periodic basis, a review and discussion with management and the external auditor on (i) major issues regarding accounting principles and financial statement presentations, the adequacy of GENIVAR's internal controls, and any special audit steps adopted in light of identified material control deficiencies, if any, (ii) analyses prepared by or on behalf of management setting forth significant financial reporting issues and judgments made in connection with the preparation of financial statements, and (iii) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures (if any), on the financial statements of GENIVAR;
2. Ensure that adequate procedures are in place for the review of GENIVAR's public disclosure of financial information;
3. Being directly responsible for resolving any disagreement between management and the external auditor regarding financial reporting;
4. Review and discuss any report from the external auditor on all critical accounting policies and practices and all material alternative treatments of financial information within generally accepted accounting principles that have been discussed with management;
5. Recommend to the Board of Fund Trustees and Board of Directors the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for GENIVAR, and the compensation of such external auditor;

6. Be directly responsible for overseeing the work of the external auditor when preparing or issuing an auditor's report or performing other audit;
7. Pre-approve all non-audit services to be provided by the external auditor to GENIVAR;
8. At least annually, consider, assess and report to the Board of Fund Trustees and Board of Directors on the independence of the external auditor and obtain from the external auditor a written statement delineating all relationships between the external auditor and GENIVAR and any other relationships that may adversely affect the independence of the external auditor;
9. At least annually, obtain and review a report by the external auditor describing the external auditor's internal quality-control procedures and any material issues raised by the most recent internal quality-control review, or peer review of the external auditor firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditor firm, and any steps taken to deal with any such issues;
10. Meet periodically with the external auditor in the absence of management and the internal auditor;
11. Review and discuss with the internal auditor report and, where appropriate, provide recommendations to the Board of Fund Trustees and Board of Directors on the appointment and mandate of the internal auditor, the scope and performance of the internal auditor, including a review of the annual internal audit plan, and whether there are any restrictions or limitations on the internal auditor, and obtain periodic reports from the internal auditor regarding internal audit findings;
12. Meet periodically with the internal auditor in the absence of management and the external auditor;
13. Review and discuss with management, the external auditor and internal auditor, report and, when appropriate, provide recommendations to the Board of Fund Trustees and Board of Directors on GENIVAR's internal control system;
14. Establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls or auditing matters;
15. Meet periodically with management in the absence of the external auditor and the internal auditor;
16. Review, report and, where appropriate, provide recommendations to the Board of Fund Trustees and Board of Directors on GENIVAR's processes for identifying, assessing and managing risk and GENIVAR's major financial risk exposures and the steps taken to monitor and control such exposures; and
17. Review and discuss with management, the external auditor and internal auditor report and, when appropriate provide recommendations to the Board of Fund Trustees and Board of Directors on the adequacy of each GENIVAR's process for complying with laws and regulations.

The Audit Committee met 7 times during the last completed financial year.

Please refer to the section of the Annual Information Form of the Fund entitled "Audit Committee" for additional information on the Audit Committee. The Annual Information Form is available on SEDAR at www.sedar.com.

Corporate Governance, Nominating and Compensation Committee

The Corporate Governance, Nominating and Compensation Committee is comprised of three members: Richard Bélanger, (Chairman), Pierre Simard and Lawrence Smith, each of whom is "independent", within the meaning of *National Instrument 58-101 – Disclosure of Corporate Governance Practices*, of GENIVAR GP and the Existing Investor.

The primary objective of the Corporate Governance, Nominating and Compensation Committee is to assist and where appropriate make recommendations to the Board of Fund Trustees and Board of Directors, in relation with the:

1. Development and implementation of the corporate governance guidelines of GENIVAR;
2. Subject to the terms of the Securityholders' Agreement, identification of individuals qualified to become members of the Board of Fund Trustees and Board of Directors;
3. Determination of the composition of the Board of Fund Trustees and Board of Directors and their Committees;
4. Determination of the Fund Trustees' and GP Directors' remuneration for board and committee service;
5. Monitoring of a process to assess the effectiveness of the Board of Fund Trustees and Board of Directors and their Committees, including their respective Chairman;
6. Compensation, nomination and evaluation of, as well as succession planning for, officers and other senior management personnel of GENIVAR; and
7. GENIVAR's health and safety policies and practices.

The Corporate Governance, Nominating and Compensation Committee's responsibilities include the following:

1. Report to the Board of Fund Trustees and Board of Directors annually on all matters of corporate governance;
2. Develop and recommend at least annually to the Board of Fund Trustees and Board of Directors a set of corporate governance guidelines in accordance with applicable laws and regulations review;
3. Consider and recommend for approval by the Board of Fund Trustees and Board of Directors candidates for election or appointment to the Board of Fund Trustees and Board of Directors;
4. Develop and recommend to the Board of Fund Trustees and Board of Directors appropriate qualifications and criteria for the selection of their members;
5. Conduct an annual review of the directors' remuneration for board and committee service in relation to current norms;
6. Assist newly appointed members of the Board of Fund Trustees and Board of Directors in becoming better acquainted with GENIVAR and its governance process and provide orientation and continuing education for all members of the Board of Fund Trustees and Board of Directors;
7. Consider and recommend for approval by the Board of Fund Trustees and Board of Directors the appointment of the CEO and all other officers of GENIVAR;
8. Review with the CEO management's assessment of existing management resources and plans for ensuring that qualified personnel will be available as required for succession to officers and other senior management personnel of GENIVAR;
9. Review and assess annually, in conjunction with the Board of Fund Trustees and Board of Directors, the performance of the CEO against pre-set specific performance criteria;
10. Review with the CEO the annual performance assessments of all other officers and other senior management personnel of GENIVAR and report annually to the Board of Fund Trustees and Board of Directors on these assessments;

11. Oversee and recommend for approval by the Board of Fund Trustees and Board of Directors GENIVAR's executive compensation policy and specifically consider and recommend annually for approval by the independent GP Directors and Fund Trustees all forms of compensation for the CEO;
12. Oversee GENIVAR's annual report on executive compensation for inclusion in GENIVAR's public disclosure documents, in accordance with applicable rules and regulations; and
13. Review, report and where appropriate, provide recommendations to the Board of Fund Trustees and Board of Directors, on GENIVAR's health and safety policies and practices.

The Corporate Governance, Nominating and Compensation Committee met 6 times during the last completed financial year.

COMPENSATION OF CERTAIN EXECUTIVE OFFICERS

The following table provides a summary of the compensation GENIVAR LP has agreed to pay to its President and CEO, Chief Financial Officer and its three (3) next most highly compensated executive officers (the "Named Executive Officers") since its initial public offering on May 25, 2006.

NAME AND PRINCIPAL POSITION	YEAR	CASH COMPENSATION		LONG TERM COMPENSATION	
		SALARY (\$)	BONUS (\$)	LTIP AWARDS (\$)	LTIP PAYOUTS (\$)
PIERRE SHOIRY President and Chief Executive Officer	2007	350,000	475,000	NIL ⁽⁷⁾	239,022 ⁽²⁾
	2006	211,346 ⁽¹⁾	90,576 ⁽¹⁾	500,000	–
MARCEL BOUCHER, Chief Financial Officer	2007	175,000	175,000	NIL ⁽⁷⁾	71,708 ⁽³⁾
	2006	105,673 ⁽¹⁾	45,288 ⁽¹⁾	150,000	–
ALI ETTEHADIEH, Vice President, Project services and international	2007	200,000	100,000	NIL ⁽⁷⁾	11,951 ⁽⁴⁾
	2006	120,769 ⁽¹⁾	60,385 ⁽¹⁾	25,000	–
FRANÇOIS PERREAULT, Vice President, Western Quebec region	2007	175,000	75,000	NIL ⁽⁷⁾	11,951 ⁽⁵⁾
	2006	105,673 ⁽¹⁾	45,288 ⁽¹⁾	25,000	–
ERIC TREMBLAY, Vice President, Eastern Quebec region	2007	175,000	75,000	NIL ⁽⁷⁾	11,951 ⁽⁶⁾
	2006	105,673 ⁽¹⁾	45,288 ⁽¹⁾	25,000	–

(1) These amounts represent the salary and bonus paid to each Named Executive Officer for the period from May 25, 2006 to December 31, 2006. The table below shows the salary and bonus of each Named Executive Officer for the financial year 2006 on an annualized basis using the compensation policies in place since May 25, 2006, the date of the closing of the initial public offering of the Fund.

NAME AND PRINCIPAL POSITION WITH GENIVAR LP	FINANCIAL YEAR	ANNUALIZED SALARY	ANNUALIZED BONUSES
Pierre Shoiry President and Chief Executive Officer	2006	\$350,000	\$150,000
Marcel Boucher Chief Financial Officer	2006	\$175,000	\$75,000
Ali Ettehadieh Vice President, Project services and International	2006	\$200,000	\$100,000
François Perreault Vice President, Western Quebec Region.....	2006	\$175,000	\$75,000
Eric Tremblay Vice President, Eastern Quebec Region	2006	\$175,000	\$75,000

- (2) This LTIP payout for Pierre Shoiry vested on December 31, 2007 and was made in cash.
- (3) This LTIP payout for Marcel Boucher vested on December 31, 2007 and was made in kind by the delivery of 2796 Units, such Units being valued on the basis of \$25.64 per Unit.
- (4) This LTIP payout for Ali Ettehadieh vested on December 31, 2007 and was made in cash.
- (5) This LTIP payout for François Perreault vested on December 31, 2007 and was made in kind by the delivery of 241 Units, such Units being valued on the basis of \$25.64 per Unit.
- (6) This LTIP payout for Eric Tremblay vested on December 31, 2007 and was made in cash.
- (7) On April 21, 2008, the Board of Fund Trustees and the Board of Directors, upon recommendation by the Corporate Governance, Nominating and Compensation Committee, decided to terminate the LTIP in accordance with its terms. In the event that the LTIP had not been terminated, an amount of \$2,300,000 could have been awarded under the LTIP

for the financial year ended December 31, 2007, in accordance with the formula contained in the LTIP pursuant to which the available cash for LTIP awards for a given year is determined.

LTIP—Awards During the Financial Year Ended December 31, 2006

The Named Executive Officers in respect of the financial year ended December 31, 2006 benefited from time-based LTIP awards under the long term incentive plan of GENIVAR dated May 25, 2006 (the "LTIP") to the extent indicated in the following tables:

Name	Securities, Units or Other Rights (\$) ^{(1)(a)(b)(c)(d)}	Performance or Other Period Until Maturation or Payout ⁽²⁾	Estimated Payouts Under Non- Securities-Price Based Plans		
			Threshold (#)	Target (#)	Maximum (#)
Pierre Shoiry	19,172	December 31, 2008 & December 31, 2009	19,172	19,172	19,172
Marcel Boucher	5,752	December 31, 2008 & December 31, 2009	5,752	5,752	5,752
Ali Ettehadieh	958	December 31, 2008 & December 31, 2009	958	958	958
François Perreault	958	December 31, 2008 & December 31, 2009	958	958	958
Éric Tremblay	958	December 31, 2008 & December 31, 2009	958	958	958

(1) (a) On December 31, 2006, an amount of \$828,300 was awarded for the LTIP to be paid in three installments over the next three (3) years on the 31st day of December 31, 2007, 2008 and 2009. Of this amount, \$725,000 was awarded to the Named Executive Officers. An independent trust company ("Plan Custodian") was nominated by the Board of Directors to manage the LTIP and to purchase Units on the secondary market.

(b) On December 31, 2007, one-third of LTIP awards credited to all of the participants under the LTIP, including the Named Executive Officers, vested. The gross value of the LTIP awards paid to each Named Executive Officer following such vesting is described in the compensation table under the Section entitled "Compensation of Certain Executive Officers" in the column "LTIP Payouts".

(c) The amounts listed in this column represent the remaining two-thirds of the LTIP awards credited to each Named Executive Officer under the LTIP. Half of the LTIP awards credited to each of the Named Executive Officers listed in the above table under this column will vest on December 31, 2008 and the second half will vest on December 31, 2009 subject to customary conditions related to continuing employment with GENIVAR as set out in the LTIP.

(d) Distributions made on LTIP awards which have not vested are reinvested to acquire additional Units for the LTIP on the secondary market.

(2) On April 21, 2008, the Board of Fund Trustees and the Board of Directors, upon recommendation by the Corporate Governance, Nominating and Compensation Committee, decided to terminate the LTIP in accordance with its terms. Upon the termination of the LTIP pursuant to its terms, the LTIP awards credited to the participants under the LTIP will continue to be subject to the time based vesting provisions described in the LTIP as if the LTIP was never terminated.

For more details on the terms of the LTIP, please refer to the section entitled "Executive Compensation Programs in 2006 – Long Term Equity-Based Incentive Plan".

Executive Employment Agreements, Change in Responsibilities and Termination of Employment

The Named Executive Officers are party to employment agreements with GENIVAR. All the employment agreements are for an indeterminate term. All employment agreements provide that annual compensation (including base salary) and other remuneration, if any, will be determined by the Board of Directors.

All employment agreements include confidentiality, non-solicitation and non-competition covenants. The confidentiality covenant applies indefinitely while the non-competition covenant and the non-solicitation covenant applies during the Named Executive Officer's employment and for a period of one year following the termination of his employment with GENIVAR.

In the event of the termination of a Named Executive Officer's employment without cause, such Named Executive Officer is entitled to a reasonable severance payment that takes into account standards of the industry and service to the company. No amounts of severance payment are specifically provided for in the said employment agreements.

There is no contract, arrangement or any other understanding with respect to termination of employment, or a change of duties or responsibilities following a change of control, between the Fund and any of the Named Executive Officers.

Report on Executive Compensation by the Corporate Governance, Nominating and Compensation Committee

Each of the Named Executive Officers benefits from employment agreements with GENIVAR which provide for the following elements of pay: (i) base salary, (ii) short-term variable compensation, and (iii) a long term incentive plan.

To achieve its goals, GENIVAR must maintain a balance between its Unitholders', its executive officers' and its employees' interests. The compensation profile is driven by business strategy and must take into account the competitiveness of global compensation and market surveys within similar corporate profiles. Our policy must aim to attract and retain competent and qualified people as well as reward good performance. By linking executive officers' and Unitholders' interests through incentive compensation, the compensation strategy contributes to the achievement of profitable growth for Unitholders.

GENIVAR's compensation program is designed to motivate executives in achieving short term and long term financial performance. It is composed of a competitive base salary, a yearly bonus and a long term incentive program. As further described under the section "Long Term Equity-Based Incentive Plan" below, the Board of Directors and the Board of Fund Trustees have elected to terminate the LTIP.

The following constitutes a summary of the compensation principles adopted by the Corporate Governance, Nominating and Compensation Committee in the fiscal year 2007.

Executive Compensation Programs in 2007

Base Salary

For the financial year 2007, base salaries were unchanged and constituted reasonable market based compensation in accordance with company practices and policies.

Short Term Incentive Compensation: Bonus Plan

GENIVAR LP retains in place the bonus plan for key personnel of GENIVAR's engineering services business ("STIP"). The STIP enables key personnel to receive a bonus of up to 15% or 25% of the base salary, depending on their position within GENIVAR's engineering services business, based on personal performance, market segment

performance, regional performance as well as overall performance. For the year ended December 31, 2007, GENIVAR distributed \$3,298,063 to its key personnel (excluding the Named Executive Officers) under the STIP.

With respect to the Named Executive Officers, the bonus is not established based on a percentage of base salary but, rather, based on a maximum amount. For the fiscal year 2007, the Named Executive Officers were awarded bonuses for achieving and/or exceeding specified goals and targets. As mentioned above, the total target bonus is divided in several parts, and emphasis is different depending on the breadth of each executive’s responsibilities. Each part is attached to certain goals relevant to their divisions (based on their geography, types of markets and services performed). Some parts may also be tied to non-financial performance. Awarding of such bonuses is determined based on achievement of set objectives for each executive. The CEO works with each executive to set out his or her objectives and evaluates the degree to which they were met. He then recommends the awards to the Corporate Governance, Nominating and Compensation Committee. The Corporate Governance, Nominating and Compensation Committee also sets objectives and awards bonuses to the CEO.

Long Term Equity-Based Incentive Plan

On April 21, 2008, the Board of Fund Trustees and the Board of Directors, upon recommendation by the Corporate Governance, Nominating and Compensation Committee, decided to terminate the LTIP in accordance with its terms. It was determined that the LTIP, as it exists, is not essential to create an environment that will attract, retain and motivate key personnel. The purposes of the LTIP would have been fulfilled had management’s interest not already been aligned with the Unitholders’ interest through the investment in GENIVAR Inc., the Existing Investor, which in turn directly or indirectly owns a 39.6% interest in GENIVAR. As at April 21, 2008, the executive officers of GENIVAR, as a group, owned a 30.6% equity interest in GENIVAR Inc. and all of the holders of common shares of GENIVAR Inc. are also employees of GENIVAR. Furthermore, beginning in 2008, GENIVAR intends to increase the bonus pool available under the STIP, which will compensate the elimination of the LTIP.

Further to the termination of the LTIP pursuant to its terms, the LTIP awards credited to the participants under the LTIP will continue to be subject to the time based vesting provisions described in the LTIP as if the LTIP was never terminated.

Pursuant to the LTIP, GENIVAR LP set aside a pool of funds based upon the amount, if any, by which the amount of cash by Unit available to the Fund for distribution to Unitholders exceeded certain defined per Unit distributable cash threshold amounts for a specific period. LTIP participants are entitled to receive distributions on all units held for their account prior to the applicable vesting date. Unvested units held by a GP Director for an LTIP participant will be forfeited if the participant resigns or is terminated for cause prior to the applicable vesting date, and those units will be sold and the proceeds returned to GENIVAR LP.

The LTIP provides for awards that may be earned based on the amount by which distributable cash *per annum* per Unit (calculated on a fully-diluted basis) exceeds a base threshold per Unit *per annum*. The percentage amount of that excess which formed the LTIP incentive pool was determined in accordance with the table below:

Percentage by which Distributable Cash per Unit Exceeds the Base Threshold	Maximum Proportion of Distributable Cash Available for LTIP Payments
5% or less	10% of any excess up to 5%
Over 5% to 10%	10% of the first 5% and 15% of any excess over 5% but not exceeding 10%
Greater than 10%.....	10% of the first 5% and 15% of any excess over 5% but not exceeding 10% and 20% of any excess over 10%

In the event that the LTIP had not been terminated, an amount of \$2,300,000 could have been awarded under the LTIP for the financial year ended December 31, 2007, in accordance with the formula contained in the LTIP pursuant to which the available cash for LTIP awards for a given year is determined.

Chief Executive Officer Compensation

The Corporate Governance, Nominating and Compensation Committee examines all modifications to the CEO's base salary, short term and long term incentive plans and makes recommendations to the Board of Fund Trustees and the Board of Directors. The compensation policy for the CEO is based on the position's responsibility and the individual's experience. The incentive plan is driven by business strategy and takes into account the competitiveness of global compensation for similar corporate profiles. The base salary for the CEO is \$350,000 on an annual basis. A bonus of \$475,000 based on the short term incentive plan was awarded for global performance for the twelve-month period ended December 31, 2007.

Submitted by the Corporate Governance, Nominating and Compensation Committee

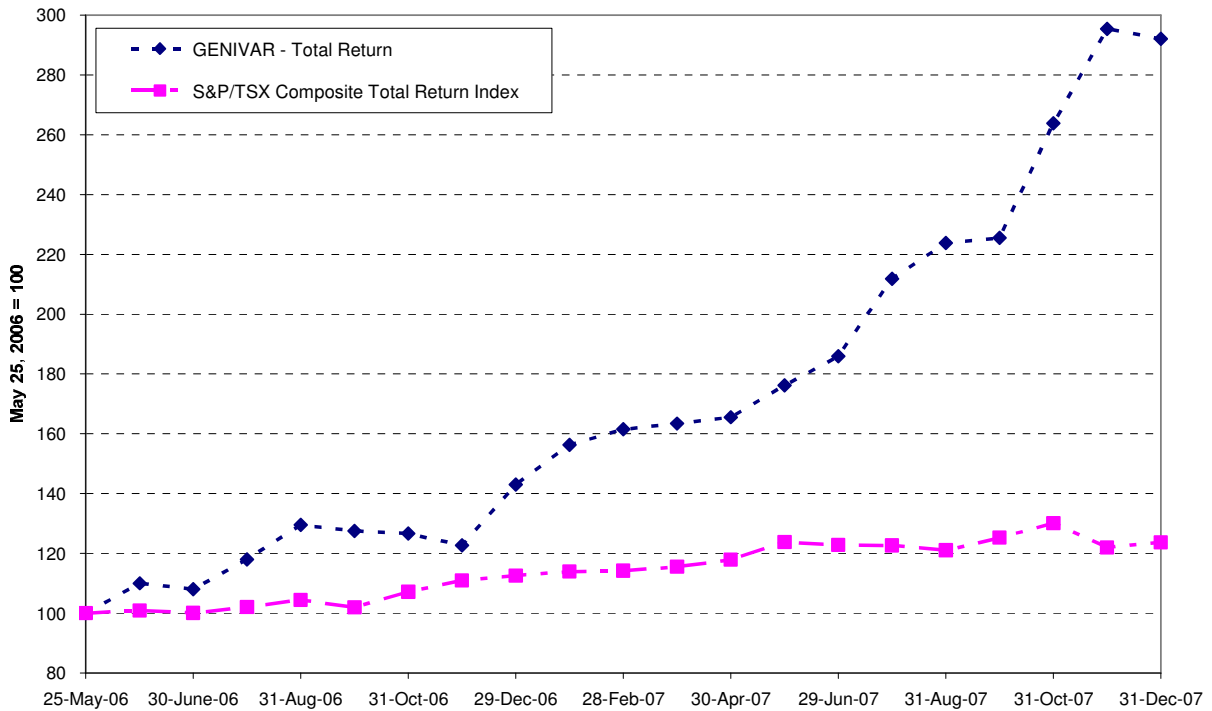
Members: *Richard Bélanger, Chairman*
 Pierre Simard
 Lawrence Smith

PERFORMANCE GRAPH

The following performance graph compares the total cumulative return of a \$100 investment in the Units since its initial public offering on May 25, 2006 to December 31, 2007, with the cumulative return on the S&P/TSX Composite Index for the same period.

Units of GENIVAR Income Fund
versus S&P/TSX Composite Index
May 25, 2006 to December 31, 2007

For the Period from May 25, 2006 to December 31, 2007 - Total Return



Note: May 25th, 2006 market price for GENIVAR represents value at market opening

MATERIAL INTEREST OF INFORMED PERSONS IN TRANSACTIONS

Other than as set out below or described elsewhere in this Circular, none of the GP Directors, Fund Trustees or senior officers, as applicable, of (i) the Fund, the Trust, GENIVAR LP or GENIVAR GP, (ii) GENIVAR Inc., or (iii) any associate or affiliate of the persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction within the past three years or in any proposed transaction that has materially affected or will materially affect the Fund, the Trust, GENIVAR LP or GENIVAR GP or any of their subsidiaries, except for the following transactions.

Certain of the Fund Trustees, trustees of the Trust, GP Directors and executive officers of GENIVAR LP were or are also shareholders of GENIVAR Inc. As at April 21, 2008, the executive officers of GENIVAR, as a group, owned directly a 30.06% equity interest in GENIVAR Inc., which owned directly or indirectly a 39.6% interest in GENIVAR LP. The board of directors of GENIVAR Inc. is composed of Pierre Shoiry, Ali Ettehadieh, Anita Smith, Marcel Boucher, Éric Tremblay, Rob Harmer, Marc Rivard and François Perreault. All the shareholders of GENIVAR Inc. are subject to a shareholders' agreement providing for their rights and obligations in GENIVAR Inc.

In connection with the closing of the initial public offering of the Fund, GENIVAR GP, GENIVAR LP and GENIVAR Inc. entered into an acquisition agreement pursuant to which GENIVAR Inc. sold to GENIVAR LP all of its engineering services business assets (including the shares in MacViro Holdings Inc. but excluding the general contracting business) for a consideration equal to \$189,274,000 payable by way of a cash amount of \$37,232,000 and the issuance, directly or indirectly, of promissory notes in the aggregate amount of \$62,768,000 payable in favour of GENIVAR Inc., 4,195,536 Non-Subordinated Exchangeable LP Units and 4,731,845 Subordinated Exchangeable LP Units having respective values of \$41,955,000 and \$47,319,000. The consideration payable by GENIVAR LP to GENIVAR Inc. was directly determined by the aggregate offering price for the Units in the initial public offering which was determined by negotiation between the underwriters under the initial public offering and GENIVAR Inc.

On September 13, 2007, the Fund issued, pursuant to a public offering, 1,902,439 Units at a price of \$20.50 per Unit for gross proceeds of \$39,000,000. Concurrently with the closing of such public offering, GENIVAR Inc., the non-controlling Unitholder, purchased, directly and indirectly, on a non-brokered private placement basis, 536,585 Non-Subordinated Exchangeable LP Units of GENIVAR LP and 536,585 Special Voting Units for a consideration of \$20.50 per Non-Subordinated Exchangeable LP Unit.

Historically, the GENIVAR engineering services business had been carried out by GENIVAR Inc. in conjunction with the general contracting business. In the context of the initial public offering of the Fund, GENIVAR Inc. sold the GENIVAR engineering services business to the Fund and retained the general contracting business. To govern the relationship, after the initial public offering of the Fund, between the GENIVAR engineering services business and the general contracting business, GENIVAR Inc. and GENIVAR LP entered into the preferred business relationship agreement (the "**Preferred Business Relationship Agreement**"). In July 2007, GENIVAR Inc. exited the general contracting business in Quebec by selling substantially all of the assets of GENIVAR Construction Inc. to Pomerleau Inc. In Ontario, management of GENIVAR Inc. is proceeding with a progressive winding down of its general contracting business activities. GENIVAR Inc. has notified GENIVAR that once GENIVAR Construction Inc. completely ceases to provide services related to the general contracting business, it intends to terminate the Preferred Business Relationship Agreement in accordance with its terms.

Pursuant to the Preferred Business Relationship Agreement, GENIVAR Inc. offers its general contracting capabilities to GENIVAR LP's clients when so requested by GENIVAR LP and GENIVAR LP offers its engineering services to GENIVAR Inc. on a preferred basis and at market terms, including in joint bidding for projects.

The Securityholders' Agreement provides that, until termination of the Preferred Business Relationship Agreement, all members of the Corporate Governance Committee will be "independent", within the meaning of *National Instrument 58-101 - Disclosure of Corporate Governance Practices*, of GENIVAR GP and GENIVAR Inc.

In the context of the acquisitions completed by GENIVAR, the vendors of the acquired businesses generally become shareholders of GENIVAR Inc. which in turn owns a 39.6% interest in GENIVAR. This provides assurances to GENIVAR that vendors of acquired businesses remain with GENIVAR after the acquisition and that their interest are aligned with the business of GENIVAR. In this regard, the acquisition method used by GENIVAR is typically as follows. First, GENIVAR Inc. purchases all of the outstanding shares of a target company. Second and immediately after the first step, all of the assets and liabilities of the target company are transferred to GENIVAR for a consideration identical to the one paid by GENIVAR Inc. for all of the shares of the target company. However, in certain instances, it is determined that an acquisition may be completed more effectively directly by GENIVAR.

As at April 21, 2008, the executive officers of GENIVAR, as a group, owned directly a 30.06% equity interest in GENIVAR Inc., which owned directly or indirectly a 39.6% interest in GENIVAR LP. The board of directors of GENIVAR Inc. is composed of Pierre Shoiry, Ali Ettehadieh, Anita Smith, Marcel Boucher, Éric Tremblay, Rob Harmer, Marc Rivard and François Perreault. All the shareholders of GENIVAR Inc. are subject to a shareholders' agreement providing for their rights and obligations in GENIVAR Inc.

OTHER IMPORTANT INFORMATION

Fund Trustees', GP Directors' and Officers' Liability Insurance

The Fund Trustees and the GP Directors and officers of GENIVAR are covered under (i) a directors and officers insurance policy that provides an aggregate limit of liability to the insured trustees, directors and officers of \$10 million, and (ii) a directors and officers excess insurance policy that provides an aggregate limit of liability to the insured Fund Trustees, GP Directors and officers of \$5 million.

The Declaration of Trust of the Fund and the by-laws of GENIVAR GP also provide for the indemnification of their respective Fund Trustees, GP Directors and officers from and against liability and costs in respect of any action or suit against them in connection with the execution of their duties of office, subject to certain usual limitations.

Aggregate Indebtedness of Directors and Officers

As at April 21, 2008, the Fund, the Trust or GENIVAR had not made any loan to officers, Fund Trustees, GP Directors, employees or former officers, directors and employees of GENIVAR, the Fund or the Trust.

Mail service interruption

If there is a mail service interruption prior to a Unitholder mailing a completed proxy to CIBC Mellon, it is recommended that the Unitholder deposit the completed proxy, in the envelope provided, at any of the following offices of CIBC Mellon:

CIBC Mellon

Alberta

600 The Dome Tower
6th Floor
333 – 7th Avenue S.W.
Calgary, AB

Ontario

320 Bay St.
Banking Hall
Toronto, ON

British Columbia

1066 West Hastings St.
The Oceanic Plaza
Suite 1600
Vancouver, BC

Quebec

2001 University Street
Suite 1600
Montreal, QC

Nova Scotia

1660 Hollis Street
Suite 406
Halifax, NS

HOW TO REQUEST MORE INFORMATION

Documents you can request

You can ask us for a copy of the following documents at no charge:

- the annual report of the Fund and GENIVAR LP for the year ended December 31, 2007, which includes both entities' annual consolidated financial statements, together with the auditors' report and the MD&A related to each such annual consolidated financial statements;
- any interim financial statements of the Fund and of GENIVAR LP that were filed after the consolidated financial statements for their most recently completed financial year;
- the MD&A for such interim financial statements; and
- the Annual Information Form of the Fund for the year ended December 31, 2007, together with any document, or the relevant pages of any document, incorporated by reference into it.

Please write to Unitholder Relations, 1600, René-Lévesque Blvd. West, 16th Floor, Montreal, Quebec, H3H 1P9

The above documents, in addition to the Annual Information Form for the Fund for 2007, are also available on our website at www.GENIVAR.com and on SEDAR at www.sedar.com. All of our news releases are also available on our website.

APPROVAL OF TRUSTEES

The content and the sending of this Circular to unitholders of the Fund have been approved by the Fund Trustees.

April 21, 2008

A handwritten signature in cursive script that reads "Daniel Fournier".

By order of the Fund Trustees, Daniel Fournier
Chairman of the Board of Fund Trustees

SCHEDULE A - RECORD OF ATTENDANCE

Record of Attendance by the Trustees of the Fund				
For the period from January 1, 2007 to December 31, 2007				
Trustee	Board Meetings Attended		Committee Meetings Attended	
Pierre Shoiry	8	100%	N/A	N/A
Ali Ettehadieh	8	100%	N/A	N/A
Daniel Fournier	8	100%	7 of 7 Audit 6 of 6 Governance, Nominating and Compensation	100% 100%
Louis-Thomas Labbé ⁽¹⁾	5	100%	5 of 5 Audit 4 of 4 Governance, Nominating and Compensation (Chairman) ⁽³⁾	100% 100%
Pierre Seccareccia	8	100%	7 of 7 Audit (Chairman) 4 of 4 Governance, Nominating and Compensation	100% 100%
Pierre Simard ⁽²⁾	3	100%	2 of 2 Audit ⁽⁵⁾ 2 of 2 Governance, Nominating and Compensation ⁽⁵⁾	100% 100%
Lawrence Smith ⁽²⁾	3	100%	2 of 2 Governance, Nominating and Compensation ⁽⁶⁾	100%
Richard Bélanger ⁽²⁾	3	100%	2 of 2 Audit ⁽⁴⁾ 2 of 2 Governance, Nominating and Compensation (Chairman) ⁽⁴⁾	100% 100%

Record of Attendance by the Directors of GENIVAR GP				
For the period from January 1, 2007 to December 31, 2007				
Director	Board Meetings Attended		Committee Meetings Attended	
Pierre Shoiry	8	100%	N/A	N/A
Ali Ettehadieh	8	100%	N/A	N/A
Daniel Fournier	8	100%	7 of 7 Audit 6 of 6 Governance, Nominating and Compensation	100% 100%
Louis-Thomas Labbé ⁽¹⁾	5	100%	5 of 5 Audit 4 of 4 Governance, Nominating and Compensation (Chairman)	100% 100%
Pierre Seccareccia	8	100%	7 of 7 Audit (Chairman) 4 of 4 Governance, Nominating and Compensation	100% 100%
Pierre Simard ⁽²⁾	3	100%	2 of 2 Audit 2 of 2 Governance, Nominating and	100% 100%

Record of Attendance by the Directors of GENIVAR GP				
For the period from January 1, 2007 to December 31, 2007				
Director	Board Meetings Attended		Committee Meetings Attended	
			Compensation	
Lawrence Smith ⁽²⁾	3	100%	2 of 2 Governance, Nominating and Compensation	100%
Richard Bélanger ⁽²⁾	3	100%	2 of 2 Audit 2 of 2 Governance, Nominating and Compensation (Chairman) ⁽⁴⁾	100% 100%

- (1) Louis-Thomas Labbé resigned from his position as Fund Trustee and GP Director as of May 17, 2007.
- (2) Pierre Simard, Lawrence Smith and Richard Bélanger were elected as Fund Trustees and GP Directors on May 17, 2007.
- (3) Louis-Thomas Labbé was Chairman of the Governance, Nominating and Compensation Committee until he resigned as Fund Trustee and GP Director on May 17, 2007.
- (4) Richard Bélanger was elected as Chairman of the Governance, Nominating and Compensation Committee on May 17, 2007 and became a member of the Audit Committee on the same date.
- (5) Pierre Simard became a member of the Audit Committee and the Governance, Nominating and Compensation Committee on May 17, 2007.
- (6) Lawrence Smith became member of the Governance, Nominating and Compensation Committee on May 17, 2007.

SCHEDULE B – BOARD OF FUND TRUSTEES AND BOARD OF DIRECTORS CHARTER

GENIVAR INCOME FUND GENIVAR OPERATING TRUST GENIVAR GP INC.

BOARD OF TRUSTEES/DIRECTORS CHARTER

Board of Trustees/Directors

Purpose

The Board of Trustees of GENIVAR Income Fund, the Board of Trustees of GENIVAR Operating Trust and the Board of Directors of GENIVAR GP Inc. (collectively, the "**Board**") are responsible for the supervision of the management of the business and affairs of GENIVAR Income Fund, GENIVAR Operating Trust, and GENIVAR Limited Partnership and GENIVAR GP Inc., respectively (each a "**GENIVAR Entity**" and collectively, the "**GENIVAR Entities**").

Duties and Responsibilities of the Board

In furtherance of its purpose, the Board assumes the following duties and responsibilities:

A. Strategy and Budget

1. Ensuring a strategic planning process is in place and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the longer term opportunities and risks of the business;
2. Approving the GENIVAR Entities' annual operating and capital budgets;
3. Reviewing operating and financial performance results in relation to the GENIVAR Entities' strategic plan and budgets.

B. Governance

1. Developing the GENIVAR Entities' approach to, and disclosure of, corporate governance practices, including developing a "Statement of Corporate Governance Principles and Guidelines" setting out the Board's expectations and responsibilities of individual trustees/directors, including with respect to attendance at meetings of the Board and of Committees of the Board and the commitment of time and energy expected;
2. Approving the nomination of trustees/directors to the Board, as well as:
 - (a) ensuring that a majority of the GENIVAR Entities' Fund Trustees/GP Directors have no direct or indirect material relationship with the GENIVAR Entities and determine who, in the reasonable opinion of the Board, are independent pursuant to applicable legislation, regulation and listing requirements;
 - (b) developing appropriate qualifications and criteria for the selection of Board members;

- (c) appointing the Chairman and a Lead Trustee/Director of the Board and the Chairman and members of each Committee of the Board, in consultation with the relevant Committee of the Board;
- 3. Providing an orientation program for new Fund Trustees/GP Directors to the Board and continuing education opportunities for all Fund Trustees/GP Directors;
- 4. Assessing annually the effectiveness and contribution of the Board and of the Chairman of the Board, of the Lead Trustee/Director, of each Committee of the Board and their respective Chairmen and of individual Fund Trustees/ GP Directors;
- 5. Developing written position descriptions for the Lead Trustee/Director and the Chairman of each Committee of the Board;
- 6. Generally, acting and functioning independently from management in fulfilling its fiduciary obligations.

C. *Chief Executive Officer, Officers and Compensation and Benefits Policies*

- 1. Appointing the Chief Executive Officer and all other officers of the GENIVAR Entities;
- 2. Together with the Chief Executive Officer, developing a written position description for the role of the Chief Executive Officer;
- 3. Developing the corporate goals and objectives that the Chief Executive Officer is responsible for Meeting and reviewing the performance of the Chief Executive Officer against such corporate goals and objectives;
- 4. Approving the GENIVAR Entities' compensation policy for trustees/directors;
- 5. Approving all forms of compensation for the Chief Executive Officer;
- 6. Approving the GENIVAR Entities' compensation and benefits (including pension plans) policy or any changes thereto for officers and other senior management personnel, as well as:
 - (a) monitoring and reviewing, as appropriate, the administration funding and investment of the GENIVAR Entities' pension plans;
 - (b) appointing, or removing, the custodian, trustee, or investment manager(s) for the GENIVAR Entities pension plans and fund(s);
- 7. Satisfying itself as to the integrity of the Chief Executive Officer, other officers and senior management personnel and that the Chief Executive Officer, other officers and senior management personnel create a culture of integrity throughout the organization;
- 8. Providing stewardship in respect of succession planning, including the appointment, training and monitoring of the Chief Executive Officer, other officers and senior management personnel.

D. *Risk Management, Capital Management and Internal Controls*

1. Identifying and assessing the principal risks of the GENIVAR Entities' business, and ensuring the implementation of appropriate systems to manage these risks;
2. Ensuring the integrity of the GENIVAR Entities' internal control system and management information systems and the safeguarding of the GENIVAR Entities' assets;
3. Reviewing, approving, and as required, overseeing compliance with the GENIVAR Entities' Disclosure and Trading Policy by Fund Trustees/GP Directors, officers and other management personnel and employees;
4. Reviewing, approving and overseeing the GENIVAR Entities' disclosure controls and procedures;
5. Reviewing and approving the Code of Business Conduct of the GENIVAR Entities with the purpose of promoting integrity and deterring wrongdoing, and encouraging and promoting a culture of ethical business conduct and as required, overseeing compliance with the GENIVAR Entities' Code of Business Conduct by Fund Trustees/GP Directors, officers and other management personnel and employees.

E. *Financial Reporting, Auditors and Transaction*

1. Reviewing and approving, as required, the GENIVAR Entities' financial statements and related financial information;
2. Appointing, subject to approval of unitholders, (including terms and review of engagement) and removing of the unitholders' auditor;
3. Appointing (including responsibilities, budget and staffing) and removing of the GENIVAR Entities' internal auditor;
4. Delegating (to the extent permitted by law) to the Chief Executive Officer, other officers and management personnel appropriate powers to manage the business and affairs of the GENIVAR Entities.

F. *Legal Requirements and Communication*

1. Overseeing the adequacy of the GENIVAR Entities' processes to ensure compliance by the GENIVAR Entities with applicable legal and regulatory requirements;
2. Establishing measures for receiving feedback from stakeholders.

G. *Other*

1. Reviewing and approving, as required, the GENIVAR Entities' environmental policies and ensuing management systems;
2. Reviewing, approving, and as required, overseeing Fund Trustees/GP Directors, other officers and management personnel and employees compliance with the GENIVAR Entities' health and safety policies and practices;

3. Performing any other function as prescribed by law or as not delegated by the Board to one of the Committees of the Board or to management personnel.

Lead Trustee/Director

Appointment

The Board shall appoint its Lead Trustee/Director from the GENIVAR Entities' independent trustees/directors.

Duties and Responsibilities of the Lead Trustee/Director

The Lead Trustee/Director provides leadership to the independent trustees/directors and is responsible with the Chair of the Board to effectively manage the affairs of the Board and ensure that the Board is properly organized and functions efficiently. The Lead Trustee/Director also advises the Chief Executive Officer in all matters concerning the interests of the Board and the relationships between management personnel and the Board.

More specifically, the Lead Trustee/Director shall:

A. *Strategy*

1. Provide leadership to enable the Board to act effectively in carrying out its duties and responsibilities as described in the Board charter and as otherwise may be appropriate;
2. Work with the Chair of the Board, the Chief Executive Officer, other officers and senior management personnel to monitor progress on the strategic plan, annual budgets, policy implementation and succession planning.

B. *Advisor to the Chief Executive Officer*

1. Provide advice, counsel and mentorship to the Chief Executive Officer and fellow members of the Board;
2. In consultation with the Chief Executive Officer, ensure that there is an effective relationship between management personnel and the members of the Board.

C. *Board structure and management*

1. Ensure that the Board acts and functions independently from management in fulfilling its fiduciary obligations;
2. Ensure the proper flow of information to the Board;
3. Provide input to the Chair of the Board on the frequency, dates and locations of the meetings of the Board and on the preparation of the meeting agendas to ensure the Board efficiently carries out its duties and responsibilities;
4. Ensure the independent trustees/directors have the opportunity, at each regularly scheduled meeting, to meet separately without non-independent trustees/directors and management personnel present;

5. Chair the meetings of the independent trustees/directors and prepare the agendas for such meetings;
6. Chair meetings of the Board when the Chair of the Board is not in attendance, subject to the provisions of the declarations of trust of GENIVAR Income Fund and GENIVAR Operating Trust and to the By-laws of GENIVAR GP Inc.

D. *Other*

1. Carry out special assignments or any functions as requested by the Board.