NOTICE OF ANNUAL MEETING

NOTICE IS HEREBY GIVEN that an annual meeting of Unitholders of Superior Plus Income Fund (the "Fund") will be held in the Strand/Tivoli Room of The Metropolitan Centre, 333 – 4th Avenue SW, Calgary, Alberta, Canada on Tuesday, May 8, 2007, at 2:00 p.m. (Calgary time) for the following purposes:

(1) to receive the annual report, including the financial statements of the Fund for the year ended December 31, 2006, and the auditors' report thereon;

(2) to elect nine (9) directors of Superior Plus Inc.;

(3) to elect nine (9) directors of Superior Plus Administration Inc.;

(3) to appoint the auditors of the Fund; and

(4) to transact such other business as may properly come before the meeting or any adjournment thereof.

DATED at Calgary, Alberta, this 6th day of March, 2007.

By order of the Board of Directors
of Superior Plus Administration Inc.

(Signed) *"Leanne E. Likness"*
Leanne E. Likness, Corporate Secretary

Unitholders who are unable to attend the meeting in person are requested to complete, date and sign the enclosed form of proxy and return it, in the envelope provided, to Computershare Trust Company of Canada, Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, so that it is received no later than 2:00 p.m. (MST) on Friday, May 4, 2007, which is the second business day immediately preceding the day of the Meeting, or any adjournment thereof.

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PART I: QUESTIONS AND ANSWERS ON VOTING

This Information Circular is furnished in connection with the solicitation of proxies by Superior Plus Administration Inc. (the "Administrator"), for use at the annual meeting (the "Meeting") of unitholders ("Unitholders") of Superior Plus Income Fund (the "Fund") called for May 8, 2007. This Information Circular and a form of proxy will be mailed on or about March 21, 2007, to the Unitholders of record on March 15, 2007. Information contained herein is given as of March 6, 2007, unless otherwise specifically stated.

Only persons who are holders of record of trust units of the Fund on March 15, 2007 shall be entitled to attend the Meeting and to vote thereat. On March 6, 2007, the Fund had 85,661,771 trust units outstanding. Holders of trust units are entitled to one vote for each trust unit held at all Meetings of Unitholders of the Fund. A quorum at the Meeting will consist of at least two Unitholders present in person or represented by proxy and representing not less than 10 percent of the trust units entitled to be voted at the Meeting.

To the best of the knowledge of the directors and officers of the Administrator and Superior Plus Inc., no person beneficially owns, directly or indirectly, or exercises control or direction over trust units carrying more than 10 percent of all the votes attached to the outstanding trust units of the Fund.

Am I entitled to vote?
If you are a holder of trust units at the close of business on March 15, 2007, you are entitled to vote at the Meeting, or at any adjournment of that Meeting, on the items of business set forth in the notice of the annual Meeting of Unitholders.

Am I a registered or beneficial Unitholder?
You are a *registered Unitholder* if you hold units in your own name. These units will be represented by a unit certificate.

You are a *beneficial Unitholder* if you hold units which are registered in the name of a nominee (a bank, trust company, securities broker or other). These units are not represented by a unit certificate, but rather, are recorded on an electronic system.

How many votes am I entitled to?
You are entitled to one vote for every unit you hold.

What items of business am I voting on?
The following items of business will be voted upon at the Meeting:

1) election of directors for the upcoming year for both Superior Plus Inc. (the "General Partner"), as general partner of Superior Plus LP (the "Partnership") (collectively, "Superior") and the Administrator;
2) appointment of auditors of the Fund and authorization to the Board of Directors of the Administrator to fix the auditor's remuneration; and
3) any other business that may be properly brought before the Meeting or any adjournment of.

How will these items of business be decided at the Meeting?
A simple majority of votes cast (50% plus one vote), by the Unitholders, in person or by proxy, will constitute approval of the election of directors and the appointment of auditors.

How do I vote?
If you are a *registered Unitholder*, you can vote in person at the Meeting or by proxy.

1) *To vote in person* – Do not complete and return the form of proxy but simply attend the Meeting where your vote will be taken and counted. Be sure to register with Computershare Trust Company of Canada ("Computershare"), the Corporation's transfer agent and registrar, when you arrive at the Meeting.

2) *To vote by proxy* – You can convey your voting instructions by mail, telephone, facsimile or internet and by doing so your units will be voted at the Meeting by Grant D. Billing or Leanne E. Likness, who are the appointees set forth in the form of proxy. Instructions as to how to convey your voting instructions by any of these means are set forth on the back of the form of proxy and should be carefully followed.

Your voting instructions must be received by 2:00 p.m. (mountain daylight time) on the second business day (Friday, May 4, 2007) preceding the day of the Meeting, or any adjournment of that Meeting.

If you are a *beneficial Unitholder*, your trust units will likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of such trust units are registered under the name of CDS & Co. (the registration name for The Canadian Depositary for Securities Limited, which acts as nominee for many Canadian brokerage firms). Trust units held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the beneficial Unitholder. Without specific instructions, the broker/nominees are prohibited from voting trust units for their clients. The Fund does not know for whose benefit the trust units registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from beneficial Unitholders in advance of unitholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by beneficial Unitholders in order to ensure that their trust units are voted at the Meeting. Often, the form of proxy supplied to a beneficial Unitholder by its broker is identical to the form of proxy provided to registered Unitholders; however, its purpose is limited to instructing the registered Unitholder on how to vote on behalf of the beneficial Unitholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to ADP Investor Communications ("ADP"). ADP typically mails a Voting Instruction Form in lieu of the form of proxy. The beneficial Unitholder is requested to complete and return the Voting Instruction Form to them by mail or facsimile. Alternatively, the beneficial Unitholder can follow specific telephone or other voting procedures to vote the trust units held by the beneficial Unitholder. ADP then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of trust units to be represented at the Meeting. A beneficial Unitholder receiving a Voting Instruction Form from ADP cannot use that Voting Instruction Form to vote trust units directly at the Meeting as the Voting Instruction Form must be returned as directed by ADP, or the alternate voting procedures must be completed, well in advance of the Meeting in order to have the trust units voted.

As a beneficial Unitholder can I vote in person at the Meeting?

Yes, however, the Administrator does not have the names of the beneficial Unitholders. As such, if you attend the Meeting, you must ensure that your nominee has appointed you as proxyholder. To be appointed, you should insert your own name in the space provided on the Voting Instruction Form provided to you by your nominee and carefully follow the instructions provided. Do not otherwise complete the form. This will allow you to attend the Meeting and vote your units in person. Be sure to register with Computershare when you arrive at the Meeting.

Can I appoint someone other than the management nominees, Grant D. Billing and Leanne E. Likness, to act as my proxyholder at the Meeting?

Each of the persons named in the enclosed form of proxy to represent Unitholders at the Meeting is a director or officer of the Administrator or Superior. **Each Unitholder has the right to appoint some other person to represent him/her at the Meeting and may exercise this right by inserting such other person's name in the blank space provided in the enclosed form of proxy or by completing another form of proxy.** A person so appointed to represent a Unitholder at the Meeting need not be a Unitholder.

Who is soliciting my proxy?

The Administrator is soliciting your proxy and the cost of this solicitation will be borne by the Administrator. It is expected that the solicitation of proxies from the Unitholders for use at the Meeting will be primarily by mail, but proxies may also be solicited personally by the directors and officers of the Administrator or Superior.

How will my proxy be voted?

On any ballot that may be called for at the Meeting, all trust units in respect of which the persons named in the enclosed form of proxy have been appointed to act will be voted or withheld from voting in accordance with the specifications made in the proxy. **If a specification is not made with respect to any matter, the trust units will be voted FOR the election of nine directors as specified in this Information Circular and FOR the appointment of Deloitte & Touche LLP as auditor of the Fund as set forth in this Information Circular.**

What if there are amendments or variations to the items of business set forth in the Notice of Meeting or other matters are brought before the Meeting?

The form of proxy confers discretionary authority upon the persons appointed with respect to amendments to the matters identified in the Notice of the Meeting and with respect to any other matters which may properly come before the Meeting. The Administrator knows of no matters to come before the Meeting other than the matters identified in the Notice of the Meeting. If any matters which are not known should properly come before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in accordance with their best judgment.

Can I change my mind once I have submitted my proxy?

Yes, you can revoke your proxy at any time before it is acted upon. As a registered Unitholder, if your proxy was submitted by facsimile or mail, you can revoke it by instrument in writing executed by you, or by your attorney authorized in writing, or if the Unitholder is a corporation, under corporate seal or by an officer or attorney duly authorized, and deposit such instrument in writing at the registered office of the Administrator. If you conveyed your voting instructions by telephone or internet, then conveying new instructions will revoke prior instructions.

Instructions can be revoked at any time up to and including 2:00 p.m. (mountain daylight time) on the second business day preceding the Meeting (May 4, 2007), or any adjournment of that Meeting; or by depositing the revoking instrument with the Chair of the Meeting on the day of the Meeting, or any adjournment of that Meeting; or in any other manner permitted by law, including personal attendance at the Meeting, or any adjournment of that Meeting.

If an instrument of revocation is deposited with the Chair, it will not be effective with respect to any item of business that has been voted upon prior to the deposit.

If you are a beneficial Unitholder, you should contact your nominee for instructions on how to revoke your proxy.

Who counts the votes?
Computershare, as the Corporation's transfer agent and registrar, who will also act as scrutineer at the Meeting

How are my units voted if a ballot is called at the Meeting on any of the items of business?
Your units will be voted as you specified in your proxy. If no such specification is made, then your units will be voted FOR the election of directors and the appointment of auditors.

Who can I contact if I have any further questions on voting at the Meeting?
You may contact Computershare, our transfer agent and registrar by telephone at (800) 564-6253.

All dollar amounts expressed in this Information Circular are in Canadian dollars, unless otherwise specified.

PART II: PARTICULARS OF ITEMS TO BE VOTED UPON

ITEM #1 - ELECTION OF DIRECTORS

On September 30, 2006, Superior completed its internal reorganization, which was undertaken to restructure the manner in which the Fund holds its interest in the assets of Superior. As a result, the Fund's business operations are now conducted through a partnership between the General Partner and the Fund, as limited partner. The purpose of the reorganization was to provide a more flexible legal and operating structure.

Pursuant to the terms of the Amended and Restated Administration Agreement dated September 30, 2006, the Fund delegated to the Administrator the exclusive authority to manage the operations and affairs of the Fund. Further, pursuant to the Limited Partnership Agreement dated September 17, 2006, as amended, the General Partner is responsible for the administration and management of the Partnership and has the exclusive authority to manage the business and affairs of the Partnership. As such, the Board of Directors of Superior is responsible for managing the operations and businesses of the Partnership and the Board of Directors of the Administrator is responsible for the administration of the operations and affairs of the Fund. The Boards of Directors of the Administrator and Superior (the "Boards") are currently made up of the same members. These Board members, which are listed below, are nominees for election to the Boards.

The governance policies and practices of the Fund that were in place prior to the reorganization have been revised to reflect the introduction of separate legal entities to act as an administrator of the Fund and general partner of the Partnership without any derogation in the benefits and protections to Unitholders. In particular, the Compensation Committee, which is a committee of Superior, and the Audit Committee and the Governance and Nominating Committee, which are committees of the Administrator, were formed to carry out the responsibilities previously carried out by the committees of Superior Plus Inc. To the extent that there are responsibilities at either the Administrator or Superior level which involve matters typically handled by one of these committees and no such committee exists for that entity, these matters are considered by the entire Board of such entity. Mandates of the Boards of the Administrator and Superior, as well as the mandate of the Audit Committee of the Administrator, are attached as Appendix "B". The mandates of the Compensation Committee of Superior and the Governance and Nominating Committee of the Administrator are posted on the Fund's website at *www.superiorplus.com*.

The Board of Directors of the Administrator and Superior currently consist of the same members each of which members shall, in accordance with the Amended and Restated Declaration of Trust governing the Fund (the "Declaration of Trust"), be elected by the Unitholders of the Fund.

At the Meeting, the Unitholders will be asked to elect the persons listed in the following table as directors of the Administrator and Superior. To be approved, such resolution must be passed by the affirmative votes cast by holders of more than 50% of the trust units represented in person or by proxy at the Meeting that vote on such resolution. Each of the proposed nominees has consented to be named in this Information Circular and to serve as a director of the Administrator and Superior, if elected. The Fund has no reason to believe that any proposed nominee will be unable to serve as a director, but should any such nominee become unable to do so for any reason prior to the Meeting, the persons named in the enclosed form of proxy, unless directed to withhold from voting, reserve the right to vote for other nominees in their discretion.

The names, municipalities of residence, number of trust units held as at March 6, 2007 and principal occupations for the five preceding years of the directors of the Administrator and Superior who are nominated for election at the Meeting, (if such information has not been previously disclosed in an information circular of the Fund) and the year each current director first became a director of Superior, are shown below. Each current director was appointed to serve until the next annual meeting or until a successor is elected or appointed.

Mr. Allan Lennox, a director since 1996, will not be standing for re-election at the Meeting. All of the nominees are currently directors of the Corporation.

Director Information

Name, City and Province of Residence	Director Since	Number and Value of Trust Units at March 6, 2007 (1)	Principal Occupation
Grant D. Billing (2) Calgary, Alberta	1994	1,559,767 $18,438,240	Mr. Billing is the Chairman and Chief Executive Officer of Superior. Prior to his current position, Mr. Billing was the Executive Chairman and a director of Superior, since 1998
Robert J. Engbloom(3) Calgary, Alberta	1996	17,010 $201,570	Mr. Engbloom has been a partner of Macleod Dixon LLP since 1999.
Randall J. Findlay DeWinton, Alberta	2007	N/A	From 2001 until 2006, Mr. Findlay was the President of Provident Energy Ltd.
Norman R. Gish (4) Calgary, Alberta	2003	26,078 $309,024	Mr. Gish is a corporate director. Prior thereto, he was President of Gish Consulting Inc., energy consultants and previously Chairman, President and Chief Executive Officer of Alliance Pipeline Ltd. and Aux Sable Liquid Products Inc. Mr. Gish served as a trustee of the Fund from September 2000 to October 2003 and as Chairman of ICG from December 1998 to September 2000.
Peter A.W. Green (5) Campbellville, Ontario	1996	8,684 $102,905	Mr. Green is currently Chairman of the Frog Hollow Group Inc. (international business advisors), as well as Chairman of Patheon Inc. (a global pharmaceutical company). Mr. Green was appointed Lead Director of Superior on August 11, 2003.
James S.A. MacDonald (6) Toronto, Ontario	2000 (also May, 1998 to December, 1998)	132,278 $1,567,494	Mr. MacDonald is currently Chairman and a Managing Partner of Enterprise Capital Management Inc., an investment management company.

Name, City and Province of Residence	Director Since	Number and Value of Trust Units at March 6, 2007 (1)	Principal Occupation
Walentin (Val) Mirosh Calgary, Alberta	2007	N/A	Since 2003, Mr. Mirosh has been Vice President of NOVA Chemicals Corp., a producer and marketer of ethylene, polyethylene and styrencis. Mr. Mirosh also currently serves as President of Nova Chemicals Olefins/Feedstocks. From 2001 to 2003, Mr. Mirosh was a partner at the law firm of Macleod Dixon LLP
David P. Smith (7) Toronto, Ontario	1998	29,502 $349,600	Mr. Smith is currently Managing Partner of Enterprise Capital Management Inc., an investment management company.
Peter Valentine (8) Calgary, Alberta	2004	1,600 $18,960	Mr. Valentine currently serves as Senior Advisor to the CEO, Calgary Health Region, a health care organization. For the 5 years ended January 31, 2007, Mr. Valentine served as Senior Advisor to the Dean of Medicine, University of Calgary. Mr. Valentine was Auditor General of Alberta from 1995 to 2002.

Notes:

(1) As of March 6, 2007 the directors as a group owned, directly or indirectly, 1,793,655 trust units of the Fund, representing approximately 2.1% of the outstanding trust units. The information as to the ownership or control or direction of trust units, not being within the knowledge of the Administrator or the Fund, has been furnished by the directors and nominees individually. The value of the trust units is the sum of the number of trust units owned as at March 6, 2007 multiplied by the closing market price of the units on the Toronto Stock Exchange "TSX" as at March 6, 2007 ($11.85).

(2) Mr. Billing also owns $1,000,000 of convertible debentures and 250,000 options to purchase trust units. In addition, Mr. Billing owns 69,572 performance trust units ("PTUs") and 104,357 restricted trust units ("RTUs").

(3) Mr. Engbloom also owns 40,000 options to purchase trust units. In addition, Mr. Engbloom owns 2,472 RTUs.

(4) Mr. Gish also owns $93,000 of convertible debentures and 20,000 options to purchase trust units. In addition, Mr. Gish owns 2,472 RTUs.

(5) Mr. Green also owns 33,334 options to purchase trust units. In addition, Mr. Green owns 2,472 RTUs. Mr. Green has been appointed as a director and officer of companies that have financial difficulties to assist such companies with financial restructuring, proposals or compromise arrangements. In this capacity, Mr. Green was appointed a director of Phillip Services Corp. which made a proposal under chapter 11 of the U.S. Bankruptcy Code and the Companies Creditors' Arrangement Act (Canada) in 1999 and briefly became the Chairman and Chief Executive Officer of Norigen Inc. which went into receivership in August, 2001.

(6) Mr. MacDonald also owns 54,382 warrants and 40,000 options to purchase trust units. In addition, Mr. MacDonald owns 2,472 RTUs.

(7) Mr. Smith also owns 3,298 warrants and 30,000 options to purchase trust units. In addition, Mr. Smith owns 2,472 RTUs.

(8) Mr. Valentine also owns 20,000 options to purchase trust units. In addition, Mr. Valentine owns 2,472 RTUs.

(9) No option grants are currently "in-the-money". The exercise prices of options currently outstanding to directors are in the range of $19.65-$32.19.

(10) All RTUs and PTUs were granted under Superior's Long Term Incentive Plan (the "LTIP") established in 2006. For details on the LTIP and the terms of RTUs and PTUs see "Director Remuneration", "Option/SAR Grants During The Most Recently Completed Financial Year" and "Long Term Incentive Plan Awards During the Most Recently Completed Financial Year" in this Information Circular.

Director Trust Unit Ownership Requirements

Effective March 6, 2007, Superior adopted trust unit ownership guidelines for its independent directors. Independent directors are required to own trust units and RTUs equivalent to three years'

Board annual retainer fees (currently $30,000 per year) after three years of Board service. As part of the ownership, each director shall own a minimum of the current annual retainer in trust units.

Independence of Boards and Committee Members

Director independence was determined by the Boards based on the definition of independence in National Instrument 52-110 - "Audit Committees", as amended effective June 30, 2005 (the "Audit Committee Rule"), which is incorporated by reference in National Instrument 58-101 – "Disclosure of Corporate Governance Practices" (the "Corporate Governance Rule") and National Policy 58-201 - "Corporate Governance Guidelines".

Of the ten members of the Boards, nine are independent. Mr. Billing, Chairman and Chief Executive Officer, is a non-independent director. Mr. Green serves as Lead Director to ensure greater independence of the Boards from management.

All members of the Audit Committee, Governance and Nominating Committee, and the Compensation Committee are independent. All members of the Audit Committee are independent under additional regulatory requirements for audit committee members.

Director	Independent		Audit Committee(2)	Governance and Nominating Committee(2)	Compensation Committee(3)
	Yes	No			
Grant D. Billing Chairman and Chief Executive Officer		✓			
Robert J. Engbloom, Q.C.(1)	✓			✓	
Randall J. Findlay(4)	✓				
Norman R. Gish	✓				Chair
Peter A.W. Green Lead Director	✓		✓	Chair	
James S.A. MacDonald	✓			✓	✓
Walentin (Val) Mirosh(4)	✓				
David P. Smith	✓		Chair		
Peter Valentine	✓		✓		
Allan Lennox(5)	✓				✓

Notes:

(1) The Board has considered the circumstances of Mr. Engbloom, a partner in a law firm that provides legal services to Superior and the Fund and determined that he meets the independence requirements of the Corporate Governance Rule, other than for purposes of membership on the Audit Committee.

(2) Committee of the Board of the Administrator.

(3) Committee of the Board of Superior.

(4) As at the date of this Information Circular, Messrs. Findlay and Mirosh were not members of any Board committees.

(5) Mr. Lennox will not stand for re-election at the Meeting.

(6) Neither the Administrator nor Superior has an Executive Committee.

Advisory Committees

In August, 2006, Superior formed Advisory Committees for each of the four operating divisions. The Advisory Committees are composed of two independent directors, senior corporate management and one divisional president of another division. The Advisory Committees were formed with the intent of allowing for more detailed operational reviews at the divisional levels which would result in a more focused strategic review at the Board level. Although not formal Board committees, the Advisory Committee structure provides the directors with additional time to address business opportunities, risks, strategies and challenges and allows the members of the Committee to provide advice where appropriate and act as the sounding board prior to bringing strategic matters and initiatives to the Boards.

Other Public Company Directorships/Committee Appointments

Director	Other Public Company Directorships	Committee Appointments
Grant D. Billing	Provident Energy Ltd.	Member of Governance and HR Committee
	BreitBurn Energy	Member of Compensation Committee
	Capitol Energy Resources Ltd.	Member of Audit Committee Member of Corporate Governance, Human Resources and Compensation Committee
Robert J. Engbloom, Q.C.[1]	None	None
Randall J. Findlay	Provident Energy Ltd.	Member of Reserves, Operations, Environmental Health & Safety Committee
	BreitBurn Energy Partners	Member of Governance and Compensation Committees
	Canadian Helicopters Income Fund	Member of Governance and Independent Committees
	TransAlta Power LP	Member of Audit, Independent and Governance Committee.
Norman R. Gish	Provident Energy Ltd.	Member of Corporate Governance Committee
	Railpower Technologies Corp.	Chairman of the Board Member of Governance and HR Committee
Peter A.W. Green	Patheon Inc.	Chairman of the Board
	Gore Mutual Insurance Company[2]	Chair of Audit Committee
James S.A. MacDonald	Capitol Energy Resources Ltd.	Chair of Corporate Governance, Human Resources and Compensation Committee Member of Audit Committee
	MDS Inc.	Member of Audit Committee
	Manitoba Telecom Inc.	Member of Audit Committee Member of Strategic Advisory Committee
Walentin (Val) Mirosh	Taylor NGL Limited Partnership	Chair of Governance and Compensation Committee
	TC Pipeline LP	Member of Audit Committee
David P. Smith	Jannock Properties Limited	Member of Audit Committee

Director	Other Public Company Directorships	Committee Appointments
	Creststreet Kettles Hill Windpower General Partner Limited	
Peter Valentine	Fording Canadian Coal Trust	Trustee Member of Audit Committee Member of Governance Committee
	Livingston International Income Fund	Trustee Chair of Audit Committee Member of the Governance Committee
	PrimeWest Energy Trust	Trustee Chair of Audit Committee Member of the Governance Committee
	ResMor Trust Company(2)	Chair of Audit Committee

Notes:

(1) Mr. Engbloom acts as Secretary to Bow Valley Energy Ltd., CE Franklin Ltd., and Cyries Energy Inc.

(2) Regulated by the Office of the Superintendent of Financial Institutions; not a public issuer.

(3) Mr. Lennox, who is not standing for re-election as a director, has no other public company directorships.

Board & Committee Meetings Held in 2006

The table below provides a summary of Board and Committee meetings held during 2006, and the director attendance relating to same. Although not a committee of the Boards, the attendance of the Advisory Committee meetings has been added for informational purposes.

On April 24, 2006, the Fund initiated a comprehensive strategic review process designed to maximize Unitholder value. A strategic review committee of the board of Superior Plus Inc. was formed and independent financial advisors were retained to assist in the review. The members of the strategic review committee were Messrs. MacDonald (Chair), Billing, Gish and Smith. The strategic review committee was not a standing committee and as such was dissolved after completion of the reorganization.

Director	Board Meetings(1)	Audit Committee (Chair: Smith)	G&N Committee (Chair: Green)	Compensation Committee (Chair: Gish)	Advisory Committees	Strategic Review Committee
Grant D. Billing	9 of 9	N/A	N/A	N/A	4 of 4	2 of 2
Robert J. Engbloom	9 of 9	N/A	2 of 2	N/A	1 of 1	N/A
Norman R. Gish	8 of 9	N/A	N/A	5 of 5	1 of 1	2 of 2
Peter A.W. Green	8 of 9	5 of 5	2 of 2	N/A	1 of 1	N/A
Allan G. Lennox	9 of 9	N/A	N/A	5 of 5	1 of 1	N/A
James S.A. MacDonald	9 of 9	N/A	2 of 2	5 of 5	1 of 1	2 of 2
David P. Smith	9 of 9	5 of 5	N/A	N/A	1 of 1	2 of 2
Peter Valentine	9 of 9	5 of 5	N/A	N/A	0 of 1	N/A

Notes:

(1) Mr. Geoff Mackey attended 7 of 7 board meetings prior to his termination on July 10, 2006.

(2) Mr. Findlay and Mr. Mirosh were not directors in 2006.

Compensation of Directors and Trustee

The annual compensation rates for the directors of the Administrator and Superior are set out below. The annual retainer was increased in 2006 to better align the Boards' compensation with similar industry fees and remains the same for 2007.

Item	Compensation from January 1, 2006 until May 1, 2006	Compensation from July 1, 2006 until December 31, 2006
Annual Board Retainer	$20,000	$30,000
Lead Director Retainer	$35,000	$35,000
Attendance per Board Meeting	$1,500	$1,500
Attendance per Board Meeting (teleconference)	$750	$750
Annual Committee Retainer	$3,000	$3,000
Annual Committee Chair Retainer (in addition to Annual Committee Retainer)	$5,000	$5,000
Attendance per Committee Meeting (Chair)	$2,000	$2,000
Attendance per Committee Meeting (non-Chair)	$1,500	$1,500
Attendance per Committee Meeting (teleconference)	$750	$750
Advisory Committee Retainer	N/A	$3,000
Attendance per Advisory Committee Meeting	N/A	$1,500

Note:

(1) From May 1, 2006 until July 1, 2006, meeting attendance fees for the Board were increased to $3,000 per board meeting personally attended and to $1,500 per board meeting attended via teleconference call. These increased fees were implemented in anticipation of an increase in the amount of time and effort expended by the directors on Board matters as a result of the strategic review process. In addition, a Strategic Review Committee retainer of $10,000 was added during the same time period until this committee was dissolved in July, 2006.

Director Remuneration

The following table sets out the fees that were paid to directors and Board Committees for their participation as members of the Boards and Board Committees during 2006. Mr. Billing became Chairman and Chief Executive Officer on July 1, 2006 and became ineligible to receive Board meeting fees or other director's compensation. The total fees paid for 2005 and 2006 were $366,750 and $488,578, respectively.

Name	Board Retainer	Committee Retainer Fees	Board Attendance Fee	Committee Attendance Fee	Advisory Committee Retainer	Advisory Attendance Fee	TOTAL
Grant D. Billing	$16,166	$2,500	$6,750	$2,250	$750	$1,500	**$29,916**
Robert J. Engbloom	$26,666	$3,000	$15,750	$3,000	$750	$1,500	**$50,666**
Norman R. Gish	$26,666	$11,750	$14,250	$11,000	$750	$1,500	**$65,916**
Peter A.W. Green	$61,666	$11,000	$15,000	$10,250	$750	$1,500	**$100,166**
Allan G. Lennox	$26,666	$3,000	$15,750	$8,000	$750	$1,500	**$55,666**
James S.A. MacDonald	$26,666	$13,000	$16,500	$12,250	$750	$1,500	**$70,666**
David P. Smith	$28,166	$11,500	$14,250	$11,000	$750	$1,500	**$67,166**
Peter Valentine	$26,666	$3,000	$12,750	$5,250	$750	$0	**$48,416**
Total							**$488,578**

Note:

(1) Mr. Findlay and Mr. Mirosh were not directors in 2006.

In August, 2006, the board of Superior approved the LTIP, under the terms of which directors would receive a grant of RTUs as part of their total compensation package. With the exception of Mr. Billing, each of the directors was granted 2,472 RTUs in 2006 at an exercise price of $10.92. For more information on the terms of the RTUs or the LTIP, see "Long Term Incentive Plan Awards" in this Information Circular. Director's RTU grants will be determined on an annual basis but are not guaranteed to be granted in any one year.

Computershare Trust Company of Canada ("Computershare") was appointed the trustee of the Fund on October 7, 2003. For 2006, Computershare received an annual fee of $17,000 for its services as trustee of the Fund.

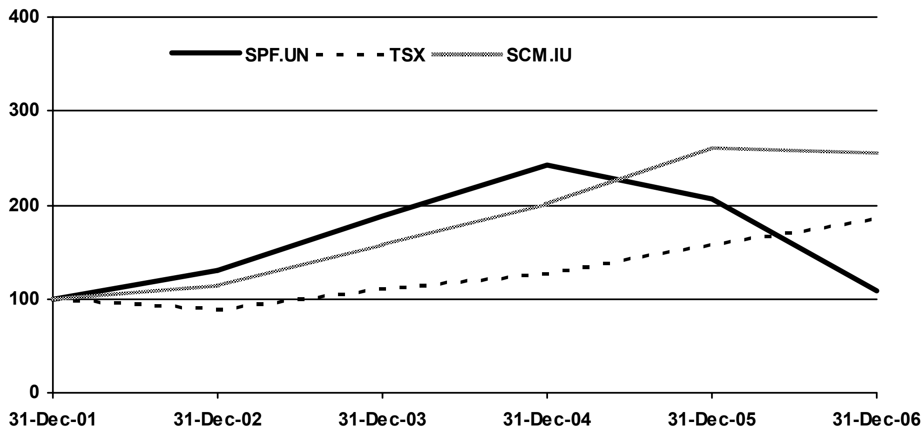
Directors' and Officers' Liability Insurance

The Administrator and Superior maintain directors' and officers' liability insurance for the directors and officers of the Administrator and Superior as well as for the trustee of the Fund. Under this insurance, the insurer pays, on behalf of the Administrator, Superior or the Fund, for losses for which each of these entities indemnifies its directors, officers or trustees and, on behalf of such persons, for losses which are suffered during the performance of their duties, which are not indemnified by the Administrator, Superior or the Fund.

The premium for this insurance for the period of November 1, 2005 to November 1, 2006 was US$175,000, which premium was paid by Superior. The aggregate annual insurance coverage during this period was limited to US$35,000,000 with a corporate deductible of US$2,000,000 on each loss and no individual deductible. For the November 1, 2006 to November 1, 2007 renewal period, Superior extended the same coverage at a cost of US$266,000 on a stretched aggregate basis, applying to claims made over the two year period from November 1, 2005 to November 1, 2007. For the period of November 1, 2006 to November 1, 2007, Superior has also added excess Side A coverage of US$10,000,000 at a cost of US$98,082 which increases the limit of insurance available for the directors and officers without increasing the corporate reimbursement coverage.

Performance Graph

The following graph illustrates changes from December 31, 2001 to December 31, 2006, in cumulative return to Unitholders of an investment in the trust units of the Fund compared to the cumulative total return on the Standard & Poors/TSX Composite Total Return Index ("TSX") and the cumulative total return of the Income Trust Index designed by Scotia Capital ("SCM.IU"), assuming the reinvestment of cash distributions.



SPF.UN	**100**	**131**	**189**	**242**	**206**	**108**
TSX	**100**	**88**	**111**	**127**	**158**	**185**
SCM.IU	**100**	**114**	**157**	**201**	**260**	**255**

Distribution Reinvestment Program

The Fund now has a Distribution Reinvestment Plan ("DRIP") available to its Unitholders. The DRIP allows participants to have their monthly cash distributions reinvested in additional units of the Fund at an effective discount of 5% of the average market price of the trust units over the five day trading period ending on the business day immediately prior to the distribution payment date. The DRIP program offers Unitholders the opportunity to steadily increase their ownership in the Fund without commissions or brokerage fees. Further information on the DRIP is posted on the Fund's website. Unitholders whose units are registered in the name of an investment banker, stockbroker, bank, trust company or other nominee should contact such nominee if they wish to enroll in the plan.

ITEM #2 – APPOINTMENT OF AUDITOR

At the Meeting, the Unitholders will be asked to vote for the appointment of Deloitte & Touche LLP, Chartered Accountants, as the auditor of the Fund. Deloitte & Touche was first appointed auditor of the Fund effective August 2, 1996. To be approved, such resolution must be passed by the affirmative votes cast by holders of more than 50% of the trust units represented in person or by proxy at the Meeting that vote on such resolution.

The audit fees payable to Deloitte & Touche for the years ended December 31, 2005 and December 31, 2006 can be found on page 32 of this Information Circular.

PART III: STATEMENT OF EXECUTIVE COMPENSATION

Composition of the Compensation Committee

The Compensation Committee has oversight responsibility in relation to human resources, compensation and pension matters of Superior. The Compensation Committee consists of three independent directors, namely Messrs. Gish (Chair), Lennox and MacDonald. The role of the Committee includes making recommendations to the Board of Superior with respect to key compensation and human resources policies and executive compensation, as well as executive management succession and development. The Committee also evaluates the performance of the Chairman and Chief Executive Officer and recommends his compensation for approval by the independent directors of the Board of Superior. The mandate of the Compensation Committee is posted on the Fund's website at *www.superiorplus.com*.

Report on Executive Compensation

Superior's executive compensation programs focus on rewarding performance and contributions to the achievement of corporate and divisional goals and objectives. The programs reflect a total compensation philosophy for all employees. The guiding principle is to align the employees' and executives' interests with those of the Unitholders of the Fund. To this end, base salaries and benefit programs are competitive and market-based within the industries from which Superior recruits, and are targeted at the median. Incentive programs act as the lever that enables executives and employees to be compensated above that level. The incentive programs are designed to reward performance at the Superior level and at the divisional level of Superior's business depending on the executive's position within the organization. Sustained strong performance is rewarded through the short and long-term incentive plans with compensation that can, in these circumstances, exceed the executive's annual base salary.

In 2006, the Compensation Committee undertook a thorough review of both the long term and short term compensation design at the Superior and division levels. The Trust Unit Incentive Program ("TUIP"), the division phantom option plans ("POP") and the Management Trust Unit Purchase Plan ("MTUPP") were discontinued and replaced by the LTIP. Mercer Human Resources Consulting ("Mercer") was retained to provide advice to the Committee in determining compensation for the directors and Superior's officers during 2006. Mercer's fees for executive compensation services to the Compensation Committee totaled approximately $123,000 (exclusive of GST) in fiscal year 2006. For more information with respect to the services that Mercer provided during 2006, please refer to page A-6 of Appendix A.

In order to address the uncertainty associated with the strategic review process and to ensure continuity during the transition resulting from that process, a short term retention plan was adopted in May 2006. The objective of the plan was to retain key employees until the completion of the strategic plan or May 1, 2007. The Chairman and Chief Executive Officer was not part of the retention program. The retention program covered employees at both the corporate and division levels and included a retention payment that ranged from 3 to 12 months of their annual salary. Superior also agreed to payout a target level of short term incentive plan bonus ("STIP") and LTIP bonus for the year consistent with the existing plan levels for each employee in the respective program. Participants of the MTUPP were to be kept whole, including any income tax obligations, as it was determined that such plan would be wound up at the conclusion of the strategic review.

The performance and compensation of Grant D. Billing, Chairman and Chief Executive Officer, is annually reviewed by the Compensation Committee. Upon evaluating the Chairman and Chief

Executive Officer's performance in light of established goals and objectives, the Compensation Committee makes a recommendation to the Board of Superior with respect to the compensation of the Chairman and Chief Executive Officer. On an annual basis, the Chairman and Chief Executive Officer presents recommendations for approval to the Compensation Committee as to overall compensation and other conditions of employment of Superior's senior officers and notably, the Named Executive Officers ("NEOs"), Messrs. Billing, Bingham, Gleason, Vanderberg, Timmons and McCamus. The compensation package for officers and senior employees, including the NEO's, has three components:

(a) base salary and benefits;
(b) annual bonus program; and
(c) long-term incentive and retention programs.

Base Salary

In determining base salaries, Superior and its divisions review confidential competitive data obtained from third-party consultants in order to compare the compensation programs with other companies whose operations, general business activities and number of employees are similar. The base pay for each employee, including that of each NEO is targeted at the median or middle of the market place and is compared to other employees and executive officers to ensure internal equity.

Benefit plans provided by Superior and its divisions in the form of group life, health and medical, pension/savings plan and other benefits are available to all salaried and to a majority of hourly employees. These are competitive and targeted at the median.

Annual Bonus Program

The annual bonus program rewards senior employees for their contribution to the overall performance of Superior and in the case of the divisional employees to the performance of their respective division. The principal performance measures are based on financial targets and other key objectives for the period for both corporate and divisional employees and if such set objectives are met, payout levels may range from 0% to 100% of base salary, depending on the employee's position. The Compensation Committee and the Board of Directors of Superior, at their discretion, may further adjust the amount of the incentive bonus. The 2006 annual bonus for each NEO was based on these performance measures.

Long-term Incentive and Retention Programs

The LTIP was established in 2006 to replace the TUIP, as well as the POP at the divisional levels. The purpose of the LTIP is to attract and to provide proper incentives to retain key employees, as well as to focus management on the operating and financial performance of Superior and long term unitholder return. The remainder of the long term incentive plans, which are described below, were discontinued in 2006. In addition, the IRP, which is described below, will conclude operation in the first half of 2007.

The LTIP is available to all employees, directors and officers of Superior and its divisions. Under the terms of the LTIP, participants are eligible to receive grants of RTUs or PTUs annually, or as otherwise may be required (i.e. executive recruitment). The number of RTUs or PTUs granted is based on the level of seniority of the executive within the organization. For employees at the Superior level, RTU's are issued at the market price of the trust units and adjustments are made to simulate the reinvestment of distributions. For division employees, RTU's are issued based on a notional valuation for each division and adjustments are made to simulate the reinvestment of distributions based on the cash generated by the division. RTU's vest over a three year period. For each RTU, the market price of the trust units (or the value of the division) upon vesting, plus an adjustment to account for the value of the distributable cash (or value of the cash generated by the division) notionally reinvested into trust units (or notional units of the divisions) over the year, will be paid to the participant in cash at each vesting date. With respect to the PTU plan, phantom units are granted at the market price of the trust units and vest on the third anniversary of the grant. For each PTU, the market price of the trust units upon vesting, plus an adjustment to account for the value of the distributable cash notionally reinvested into trust units over the year, multiplied by a performance multiplier will be paid to the participant in cash. The performance multiplier is calculated in reference to the total return of the trust units relative to a peer group during the three-year vesting period and can vary from 0 to 2. All of the NEOs received a grant of RTUs and PTUs pursuant to the LTIP in 2006. See "Option/SAR Grants During the Most Recently Completed Year", "LTIP Awards" and "Summary Compensation Table".

The TUIP was established in 1996 to create a significant relationship between the Fund's performance and officer and senior employee compensation. Options were granted annually until 2005. Any options previously granted had an exercise price equal to the market price of the trust units at the time of grant. Options granted prior to 2003 were granted for a four year term and were exercisable as to one-third immediately and an additional one-third on the first and second anniversary of the date of grant. Options granted subsequent to 2003 were granted for a five year term and were exercisable as to one-fifth immediately and an additional one-fifth on each anniversary date of the grant. Eligibility was restricted to directors, corporate officers and employees. The eligibility and number of options such persons were entitled to receive under the TUIP were considered periodically by the Board of Superior. In 2006, the Board of Superior resolved that no new grants would be made under the TUIP which would be replaced by the LTIP, in consideration of better aligning participant interests with those of the unitholders. No new option grants will be made under the TUIP and as such none of the NEO's received a grant of options during 2006.

The POP was established effective January 1, 2003 with respect to senior employees of Superior Propane and ERCO and on June 11, 2004 for senior employees of Winroc, to encourage and reward officers and senior employees of Superior's divisions for long-term, sustainable value creation within their divisions. Effective July 1, 2006, the POP for Superior Propane and ERCO was discontinued. With respect to the Winroc POP, it has features similar to those of the TUIP, except that a phantom unit simulates the market value of Winroc which is determined and approved by the Board of Superior on a quarterly basis. Winroc POP grants have a four-year term and 33.3% of the phantom options vest on each of the first, second and third anniversaries of the date of grant. Upon exercise of phantom options, holders are entitled to receive a cash payment equal to the increase in the value of the notional units of the division from the date of grant, if any, multiplied by the number of phantom options exercised. Grants made under the Winroc plan before 2006 will continue until all phantom units are vested and paid as appropriate.

The MTUPP was first established in January of 1999 to further improve management's alignment with Unitholders. Participation in the MTUPP was voluntary. Under the terms of the MTUPP, participants could acquire trust units of the Fund through open market purchases in pledge accounts established by individual participants with an investment dealer. Participants borrowed directly from a chartered bank the entire cash amount required to make the trust unit purchases. Superior guaranteed up to 66% of the loan amount with the trust units pledged as security for such indebtedness. During 2005, the loan amounts were limited to $125,000 annually to a maximum exposure of $375,000, with the exception of loan amounts for the corporate senior vice-president level of $500,000 initially, $250,000 annually to a maximum exposure of $1,000,000. As part of the employee retention arrangements that were initiated as part of the strategic review, the Compensation Committee resolved that by May 1, 2007, the trust units under the MTUPP would be sold and the participants would be released from their MTUPP obligations and provided with a gross up for taxes to keep their positions neutral.

The IRP was established as part of the internalization of management transaction (the "Internalization") completed on May 8, 2003 to promote the long-term retention of Messrs. Billing, Mackey and Schweitzer as management of Superior. Pursuant to the terms of the employment agreements between each of these senior executives and Superior and the Fund, Superior advanced Messrs. Billing, Mackey and Schweitzer, $2,500,000, $2,500,000 and $1,500,000, respectively, by way of non-interest bearing limited recourse loans which the executives used to purchase an aggregate of 325,000 trust units of the Fund. The loans must be repaid in installments of 40% on the first anniversary of the employment agreements and 20% on each subsequent anniversary. The executives receive a bonus payment equal to the repayment obligation on each anniversary date of the employment agreements if such executive is still employed by Superior. If an executive voluntarily resigns from Superior or is terminated for cause, his loan advance becomes immediately due and such executive has no further entitlement to any further retention bonuses. The trust units issued in respect of the retention bonuses have been pledged to Superior to secure the loan advances.

Messrs. Mackey and Schweitzer were terminated from Superior on July 10, 2006 and November 1, 2006, respectively. As such, the remaining amount outstanding under their loans was repaid under the terms of the IRP and the security over the trust units released. The amount of Mr. Billing's outstanding loan under the IRP is $500,000 which is expected to be repaid in May, 2007.

Chairman & Chief Executive Officer Compensation

Following the strategic review process, on July 1, 2006, Mr. Billing entered into an employment agreement with Superior in his new role as Chairman and Chief Executive Officer. Mercer was retained as executive compensation advisor to ensure that Mr. Billing's compensation package reflected the Fund's size, its business structure and that it is focused on the Fund's performance. The key components of Mr. Billing's employment agreement are as follows:

1) $600,000 per year salary with no adjustments until January 1, 2008;
2) Eligibility for a short term incentive bonus of between 0% to 100% of salary;
3) Eligibility to participate in the LTIP wherein Mr. Billing would receive up to 200% of salary in PTUs and RTUs. As such, Mr. Billing received combined RTU and PTU grants in the amount of $950,000, and such grants were applicable to each of 2006 and 2007 in order to provide additional incentive;
4) Any severance would be 2x annual salary and average bonus; and
5) Retiring bonus would be 2x annual salary and average bonus following July 1, 2008. No retiring bonus would be payable in circumstances where severance in paid.

The terms of the agreement are further described under "Termination of Employment, Change in Responsibilities and Employment Contracts". Mr. Billing's compensation, including his base salary, is determined on the same basis as that of the other NEO's. See "Report on Executive Compensation" above. The Compensation Committee is satisfied that Mr. Billing's compensation package is consistent with current practice and competitive in the market place.

Chairman and CEO and Executive Vice-President and CFO Trust Unit Ownership Guidelines

Effective March 6, 2007, Superior adopted trust unit ownership guidelines for the Chairman and Chief Executive Officer and the Executive Vice-President and Chief Financial Officer as follows:

> *Chairman and Chief Executive Officer:* Required to hold five times annual salary in trust units, PTUs and RTUs. The Chairman and Chief Executive Officer must hold at least one times annual salary in trust units.
>
> *Executive Vice President and Chief Financial Officer:* Required to hold three times annual salary in trust units, PTUs and RTUs. The Executive Vice President and Chief Financial Officer must hold at least one times annual salary in trust units.

In calculating trust unit ownership, the value of trust units, RTUs and PTUs are considered. Any options, warrants or convertible debentures are excluded from the calculation. The required unitholdings must be attained no later than March 6, 2010 (3 years after implementation). As of March 6, 2007, the Chairman and Chief Executive Officer has met 100 percent of his trust unit ownership requirements and the Executive Vice-President and Chief Financial Officer has met 64 per cent of his trust unit ownership requirements.

	Trust Units Held	RTUs Held	PTUs Held	Estimated Total Value (1)
Chairman and CEO (5 * salary = $3,000,000)	1,559,767	104,357	69,572	$20,544,300
Executive VP and CFO (3 * salary = $975,000)	21,500	9,259	22,222	$627,825

Note:

(1) The estimated value of the trust units, PTUs and RTUs for this ownership requirement is the sum of the total number of trust units, PTUs and RTUs held as at March 6, 2007 multiplied by the closing market price of the units on the Toronto Stock Exchange "TSX" as at March 6, 2007 ($11.85).

Submitted by the Compensation Committee of Superior: Norman R. Gish (Chair), Allan G. Lennox and James S.A. MacDonald.

Summary Compensation Table

The following table sets out a summary of executive compensation for the Chairman and Chief Executive Officer, the Executive Vice-President and Chief Financial Officer, and each of the four highest compensated executive officers for the three years ended December 31, 2006 (the "NEOs"). The table also takes into account the compensation of Geoff Mackey, former President and Chief Executive Officer of Superior, until his termination effective July 10, 2006, as well as Mark Schweitzer, who served as Executive Vice-President and Chief Financial Officer until his termination effective November 1, 2006.

Name and Principal Position with Superior	Year	Annual Compensation: Salary ($)	Annual Compensation: Bonus[5] ($)	Annual Compensation: Other Annual Compensation[6] ($)	Long-Term Compensation: Awards: Options/SARs Granted (#)	Long-Term Compensation: Payouts: LTIP Payouts[7] ($)	All Other Compensation[9] ($)
Grant D. Billing[1] Chairman and Chief Executive Officer	2006	493,051	350,000	25,808	104,357 RTUs 69,572 PTUs	500,000[7]	37,230
	2005	381,250	257,700	35,260	–	500,000[7]	28,000
	2004	286,693	181,158	51,967	–	1,000,000[7]	20,615
Wayne M. Bingham[2] Executive Vice President and Chief Financial Officer	2006	60,000	50,000	–	9,259 RTUs 22,222 PTUs	–	1,207
John Gleason[3] President, Superior	2006	352,154	180,000	–	9,158 PTUs	–	185,706
Propane	2005	275,000	–	–	–	–	12,692
	2004		–	–	–	–	–
Paul J. Vanderberg[4] President, Winroc	2006	300,000	240,000	–	9,176 PTUs	–	5,706
	2005	275,000	220,000	–	–	–	5,498
	2004	146,000	123,667	–	–	–	2,920
Greg McCamus President, Superior	2006	300,000	192,000	–	9,158 PTUs	–	330,706
Energy Management	2005	190,385	40,000	–	–	–	4,846
	2004			–		–	–
Paul S. Timmons	2006	312,500	125,000	–	9,176 PTUs	60,408[8]	10,938
President,							–
ERCO Worldwide							–
	2005	295,000	100,000	–	–	120,625[8]	
	2004	268,300	138,900	–	–	–	
Geoffrey N. Mackey Former President & Chief Executive Officer	2006	297,616	–	15,562	–	1,000,000[7]	1,358,911[10]
	2005	500,000	–	35,260	62,500 Options	500,000[7]	40,000
	2004	407,694	407,694	51,967	–	1,000,000[7]	32,615
W. Mark Schweitzer Former Executive Vice-President & Chief Financial Officer	2006	267,462	–	13,225	–	600,000[7]	834,005[11]
	2005	280,000	–	21,156	–	300,000[7]	22,401
	2004	260,000	182,000	31,180	–	600,000[7]	20,800

Notes:

(1) Mr. Billing's salary numbers include his directors fees of $27,666 for 2006, $31,250 for 2005 and $29,000 for 2004. As at July 1, 2006, Mr. Billing was no longer eligible to receive director's fees, further to his appointment as Chairman and Chief Executive Officer.

(2) Mr. Bingham's employment with Superior commenced on October 11, 2006.

(3) Mr. Gleason's employment with Superior Propane commenced on April 11, 2005.

(4) Mr. Vanderberg became an employee when Superior purchased Winroc on June 11, 2004.

(5) Bonuses are based on performance in 2006 but paid in the first quarter of 2007.

(6) Represents the value of the interest benefits of the loans received by these NEOs under the IRP. See note 7 below.

(7) Represents payouts under the IRP. See "Report on Executive Compensation – Long-term Incentive and Retention Programs".
(8) Represents payouts under the POP plan. See "Report on Executive Compensation - Long-term Incentive and Retention Programs".
(9) The benefit provisions of Superior's pension and savings plan provide employees with a defined contribution benefit pension/savings plan option. Superior matches an employee's contribution under this plan up to 8% of base salary. The plan is available to employees generally, except for the ERCO Worldwide and Winroc employees. ERCO Worldwide has a similar plan matching up to 3.5% of base salary. Winroc has a Group Registered Retirement Savings Plan, matching up to 2% of base salary. With respect to Mr. Gleason and Mr. McCamus, "All Other Compensation" also includes compensation received a part of their retention arrangements in connection with the strategic review.
(10) Represents Mr. Mackey's severance amount paid as at his termination on July 10, 2006, as well as his benefits under Superior's pension and savings plan. See note 9 above.
(11) Represents Mr. Schweitzer's severance amount paid as at his termination on November 1, 2006, as well as his benefits under Superior's pension and savings plan. See note 9 above.

Long-Term Incentive Plan

The Board of Superior has approved the adoption of the LTIP, which authorizes Superior to grant awards of RTUs and PTUs to directors, officers, employees and consultants of the Fund and its affiliates. The LTIP has been adopted by Superior to replace the existing TUIP, division POP and MTUPP plans. The LTIP does not provide for the issuance of trust units or any rights to acquire trust units and provides only for the granting of cash awards.

For employees at the Superior level, RTU's are issued and the value tracks the market value of the trust units plus an adjustment to account for the reinvestment of distributions into trust units. See "Report on Executive Compensation - Long-term Incentive and Retention Programs". For division employees, RTU's are issued based on a notional valuation for each division and adjustments are made to simulate the reinvestment of distributions based on the cash generated by the division. RTU's vest over a three year period (33.3% at the end of year one and half of the remaining amount at the end of years two and three). For each RTU, the market price of the trust units (or the value of the division) upon vesting, plus an adjustment to account for the value of the distributable cash (or value of the cash generated by the division) notionally reinvested into trust units (or notional units of the divisions) over the year, will be paid to the participant in cash at each vesting date.

With respect to the PTUs, phantom units are granted at the market price of the trust units and vest on the third anniversary of the grant. PTUs are granted to NEO's and certain employees of Superior. For each PTU, the market price of the trust units upon vesting, plus an adjustment to account for the value of the distributable cash notionally reinvested into trust units over the year, multiplied by a performance multiplier will be paid to the participant in cash. The performance multiplier is calculated in reference to the total return of the trust units relative to a peer group during the three-year vesting period and can vary from 0 to 2. If the percentile rank of Superior among such peer group is less than 35, the contribution of the performance measure to the weighted performance multiplier is zero and if the percentile rank is equal to or greater than 75, the contribution of the performance measure to the performance multiplier is two.

The vesting provisions attached to the RTUs and PTUs provide that in the event of any Takeover Bid transaction (as defined in the LTIP document) payment shall be made on outstanding RTUs and PTUs on the earlier of: (i) the payment date determined in accordance with the provisions of the grant of RTUs or PTUs, and (ii) the date which is immediately prior to the date upon which a Takeover Bid Transaction is completed. The LTIP also provides for the vesting and/or termination of RTU and PTU awards in the event of the cessation of employment or death of a holder. The cost of the LTIP will be expensed in the consolidated financial statements of the Fund on an annual basis.

Options - The TUIP

The TUIP has been replaced by the LTIP and was discontinued on July 1, 2006. No further options have been issued under the TUIP since November 17, 2005. The terms of any outstanding options which have not been exercised remain unchanged.

The TUIP was originally established in 1996 to create a significant relationship between the Fund's performance and officer and senior employee compensation. Options were granted annually and had exercise prices not less than the closing market price of the trust units on the TSX on the day prior to the date of the grant. The term of options granted and the vesting was decided by the Board at the time of grant and complied with applicable law and the rules of the TSX. Options granted prior to 2003 were granted for a four year term and were exercisable as to one-third immediately and an additional one-third on the first and second anniversary of the date of grant. Options granted subsequent to 2003 were granted for a five year term and were exercisable as to one-fifth immediately and an additional one-fifth on each anniversary date of the grant. The terms of the TUIP provided that directors, senior officers, employees and trustees, if any, of Superior and the Fund were eligible to participate in such plan and the Board restricted eligibility to directors, senior corporate officers and corporate employees of Superior.

Since the creation of the TUIP in 1996, 2,121,964 trust units have been issued under the plan representing 2.5% of the issued and outstanding trust units. As at March 6, 2007, there are 1,086,000 trust units available for issuance pursuant to outstanding trust unit options, representing 1.3% of the issued and outstanding trust units.

Option/SAR Grants During the Most Recently Completed Financial Year

The following table sets out the information with respect to the grants of RTUs and PTUs that would constitute SARs as defined in Form 52-102F6 made during 2006.

Name	Securities Under SARs Granted	% of Total SARs Granted to Employees in 2006	Exercise or Base Price ($/Security)	Market Value of SARs on the Date of Grant ($)	Expiration Date
Grant D. Billing	104,357 RTUs 69,572 PTUs	58%	10.924 10.924	$1,147,927(1) -(3)	September 30, 2009
Wayne M. Bingham	9,259 RTUs 22,222 PTUs	10%	13.50 13.50	$284,219(2) -(3)	September 30, 2009
John Gleason	9,158 PTUs	3%	10.92	-(3)	September 30, 2009
Paul J. Vanderberg	9,176 PTUs	3%	10.92	-(3)	September 30, 2009
Greg McCamus	9,158 PTUs	3%	10.92	-(3)	September 30, 2009
Paul Timmons	9,176 PTUs	3%	10.92	-(3)	September 30, 2009

Notes:

(1) Based on the closing market price of the trust units on the TSX on June 30, 2006 (grant date) of $11.00 per trust unit and after accounting for the notional reinvestment of distributions since the date of grant.

(2) Based on the closing market price of the trust units on the TSX on October 11, 2006 (grant date) of $12.79 per Trust Unit and after accounting for the notional reinvestment of distributions since the date of grant.

(3) Since the performance multiplier and the market price of the trust units cannot be determined until the end of the three year vesting period the market value on the date of grant cannot be determined.

Financial Year-End Option/SAR Values

The following table sets out the information in respect of the aggregate Options/SARs exercised by the Named Executive Officers during 2006 and the 2006 financial year-end values of unexercised options and RTUs/PTUs which would constitute "SARs" under Form 52-102F6 on an aggregated basis for the NEOs.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ($)	Unexercised Options/SARs at Fiscal Year End (#)		Value of Unexercised in-the-Money Options/SARs at Fiscal Year End ($)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Grant D. Billing	Nil	Nil	200,000 Options 104,357RTUs 69,572 PTUs	50,000 Options 104,357 RTUs 69,572 PTUs	Nil(1) Nil Nil	Nil(1) $1,168,964(2) -(3)
Wayne M. Bingham	Nil	Nil	9,259 RTUs 22,222 PTUs	9,259 RTUs 22,222 PTUs	Nil Nil	$103,598(2) -(3)
John Gleason	Nil	Nil	9,158 PTUs	9,158 PTUs	Nil	-(3)
Paul J. Vanderberg	Nil	Nil	9,176 PTUs	9,176 PTUs	Nil	-(3)
Greg McCamus	Nil	Nil	9,158 PTUs	9,158 PTUs	Nil	-(3)
Paul Timmons	Nil	Nil	9,176 PTUs	9,176 PTUs	Nil	-(3)
Geoff Mackey	Nil	$513,750(4)	Nil	Nil	Nil	Nil

Notes:

(1) Based on the closing market price of the trust units on the TSX on December 29, 2006 of $10.71 per Trust Unit. The grant price of Mr. Billing's options which were granted on April 2, 2003 was $19.65. The employment agreement of Mr. Billing provides that he is entitled, upon exercise or forfeiture of these options, to a cash payment equal to the aggregate amount of cash distributions on the Fund's trust units (on a per trust unit basis) from the date of issue of the options up to the exercise/forfeiture date if the closing market price of the trust units on such date exceeds the exercise price of the options. If the closing market price of the trust units is lower than the exercise price of the option, he will be entitled to a cash payment equal to the aggregate amount of the cash distributions on the Fund's trust units (on a per trust unit basis) from the date of issue of the options up to the exercise/forfeiture date less the difference between the exercise price and the closing market price of the trust units (on a per trust unit basis). These options were granted to Mr. Billing in connection with the Internalization.

(2) Based on the closing market price of the trust units on the TSX on December 29, 2006 of $10.71 per Trust Unit and after accounting for the notional reinvestment of distributions since the date of grant.

(3) Since the performance multiplier and the market price of the trust units cannot be determined until the end of the three year vesting period the aggregate dollar value of PTUs as at December 31, 2006 cannot be determined.

(4) The employment agreement of Mr. Mackey provided that he was entitled, upon exercise or forfeiture of his 250,000 options, to a cash payment equal to the aggregate amount of the cash distributions on the Fund's trust units (on a per trust unit basis) from the date of issue of the options up to the exercise/forfeiture date less the difference between the exercise price and the closing market price of the trust units (on a per trust unit basis). On October 16, 2006, Mr. Mackey exercised these 250,000 options resulting in the payment in the chart above. These options were granted to Mr. Mackey in connection with the Internalization.

Long-term Incentive Plan Awards During the Most Recently Completed Financial Year

The following table sets out the information with respect to awards of RTUs to divisional employees that are NEOs of Superior that are classified as "long-term incentive plan awards" in Form 52-102F6 during the 2006 financial year.

Name	Number of RTUs[(1)]	Performance or Period until Maturation[(2)]	Threshold ($ or #)	Target ($ or #)	Maximum ($ or #)
Greg McCamus	20,000	over 3 years	-[(3)]	-[(3)]	-[(3)]
John Gleason	26,000	over 3 years	-[(3)]	-[(3)]	-[(3)]
Paul Vanderberg	20,000	over 3 years	-[(3)]	-[(3)]	-[(3)]
Paul Timmons	21,500	over 3 years	-[(3)]	-[(3)]	-[(3)]

Notes:

(1) The RTU awards granted are for division employees and are based on an estimated valuation for each division. For each RTU, the value of the division upon vesting, plus an adjustment to account for the value of the cash generated by the division notionally reinvested into the division over the year, will be paid to the participant in cash at each vesting date. The RTUs in the chart above were granted at a exercise price of $10.00.

(2) RTU's vest over a three year period with 33.3% vesting at the end of year one and half of the remaining amount vesting at the end of years two and three.

(3) It is not possible to determine the threshold, target or maximum payout under the RTUs granted to divisional employees as they are based on the value of the divisions which can vary over significantly over the term of the RTUs.

Defined Benefit or Actuarial Plan Disclosure

Mr. Timmons is the only Named Executive Officer who participates in the defined benefit pension plan. The following table provides information concerning the total annual retirement benefit payable under both the registered pension plan and the supplemental pension benefit agreement at age 60, the earliest age at which an unreduced pension benefit is available.

	Years of Service				
Remuneration	20	25	30	35	40
$240,000	$84,938	$106,172	$127,406	$148,641	$169,875
$260,000	$92,438	$115,547	$138,656	$161,766	$184,875
$280,000	$99,938	$124,922	$149,906	$174,891	$199,875
$300,000	$107,438	$134,297	$161,156	$188,016	$214,875
$320,000	$114,938	$143,672	$172,406	$201,141	$229,875
$340,000	$122,438	$153,047	$183,656	$214,266	$244,875
$360,000	$129,938	$162,422	$194,906	$227,391	$259,875

The annual retirement benefit is equal to the sum of: (i) 1.25% of the best average earnings up to and including the final three-year average yearly maximum pension earnings ("YMPE") (average is $41,233 at December 31, 2006); and, (ii) 1.875% of the best average earnings in excess of the three-year average YMPE, multiplied by the number of years and completed months of credited service. Earnings or remuneration for defined benefit pension purposes consist of base salary. At an estimated 25.5 years of service as at December 31, 2006, the estimated annual payment under the pension plans (RPP and supplemental combined), based on Mr. Timmon's best average earnings as of December 31, 2006 would be $132,284, payable at age 65 in the normal form. There is no maximum applied to credited services, nor is there any offset or reduction at age 65 due to Canada Pension or Old Age Security.

The pension benefit is payable from the registered pension plan up to the maximum allowed under the *Income Tax Act*, and the balance is payable from the supplemental pension benefit agreement. The entire pension amount is eligible for the retirement options available under the registered plan, including life guaranteed and spousal joint and survivor option

Termination of Employment, Change in Responsibilities and Employment Contracts

Of the NEOs, Messrs. Billing, Bingham, Gleason, Vanderberg and McCamus have employment agreements with Superior. Should any of the other NEOs be removed from their current positions at Superior for reasons other than for cause, it is anticipated that they would receive, in keeping with general industry practice, a minimum of one to two times their annual salary.

Mr. Billing is party to an employment agreement dated July 1, 2006 (the "Employment Agreement") with the Fund and Superior. Under the Employment Agreement, Mr. Billing receives an annual salary of $600,000, is entitled to receive an annual bonus (provided he meets the required performance criteria) and is entitled to participate in any and all fringe benefit plans, coverages and other perquisites made available from time to time to Superior's senior officers and executives. For more information on the amount of Mr. Billing's salary and the bonus paid for the 2006 fiscal year, please refer to the "Summary Compensation Table".

The employment agreement of Mr. Billing provides that he is entitled to receive an annual bonus of between 0% and 100% of his annual salary, based on whether, and to what extent, Superior achieves certain predetermined performance objectives. In addition, Mr. Billing was also provided with 104,357 RTUs and 69,572 PTUs under the LTIP. For further information on the LTIP grants provided to the NEOs, see "Long Term Incentive Plan Awards During Most Recently Completed Financial Year" and "Option/SAR Grants During the Most Recently Completed Financial Year".

Under the terms of the Employment Agreement, in the event of a change of control or termination of employment for any reason other than cause, Mr. Billing is entitled to receive i) a lump sum payment equal to two times the total of annual salary plus annual STIP bonus. The amount of the STIP bonus shall be equal to i) the STIP bonus received in the year prior to the date of termination and the amount of unpaid annual salary to and including the date of termination, and ii) the average of the STIP bonus awarded in the two years prior to the date of termination.

The employment agreement was preceded by an employment agreement dated May 8, 2003 pursuant to which Mr. Billing was provided with a non-interest bearing loan to purchase trust units of the Fund and a retention bonus to match the loan repayment amount under the IRP. See "Report on Executive Compensation - Long-term Incentive and Retention Programs", "Indebtedness of Directors and Senior Officers" and "Summary Compensation Table".

Mr. Bingham is party to an employment agreement dated October 11, 2006 with the Fund and Superior. Under the Employment Agreement, Mr. Bingham receives an annual salary of $325,000, is entitled to receive an annual bonus (provided he meets the required performance criteria) and is entitled to participate in any and all fringe benefit plans, coverages and other perquisites made available from time to time to Superior's senior officers and executives. For more information on the amount of Mr. Bingham's salary and the bonus paid for the 2006 fiscal year, please refer to the "Summary Compensation Table".

The employment agreement of Mr. Bingham provides that he is entitled to receive an annual bonus of between 0% and 100% of his annual salary (prorated to reflect the period of employment during the 2006 year), based on whether, and to what extent, Superior achieves certain predetermined performance objectives. In addition, Mr. Bingham was also provided with 9,259 RTUs and 22,222 PTUs under the LTIP. For further information on the LTIP grants provided to the NEOs, see "Long Term Incentive Plan Awards During Most Recently Completed Financial Year" and Option/SAR Grants During the Most Recently Completed Financial Year.

Under the terms of the Employment Agreement, in the event of a change of control or termination of employment for any reason other than cause, Mr. Bingham is entitled to receive a lump sum payment equal to two times the total of annual salary.

Mr. Gleason's employment agreement provides that he receives an annual salary of $275,000 (as at the date of such employment agreement), is entitled to receive an annual bonus (provided he meets the required performance criteria) and is entitled to participate in all other incentive compensation plans and to receive and all fringe benefit plans, coverages and other perquisites made available from time to time to Superior's senior executives. For the amount of salary and bonus paid to Mr. Gleason for the 2006 fiscal year, please refer to the "Summary Compensation Table".

In the event Superior terminates Mr. Gleasons' employment without cause or in certain events where Mr. Gleason terminates his employment with Superior with good reason, Mr. Gleason is entitled to receive a lump sum amount of twenty-four months of his then current salary in addition to 13% of the lump sum amount of twenty-four months of his then current salary.

Mr. Vanderberg's employment agreement provides that he receives an annual salary of $265,000 (as at the date of such employment agreement), is entitled to receive an annual bonus (provided he meets the required performance criteria) and is entitled to participate in all other incentive compensation plans and to receive any and all fringe benefit plans, coverages and other perquisites made available from to time to time to Superior's senior executives. For the amount of salary and bonus paid to Mr. Vanderberg for the 2006 fiscal year, please refer to the "Summary Compensation Table".

Mr. Vanderberg's employment agreement provides that he is entitled to receive an annual bonus of between 0% and 80% of his annual salary, based on whether, and to what extent, Winroc achieves certain predetermined performance objectives.

In the event Superior terminates Mr. Vanderberg's employment without cause or in certain events where Mr. Vanderberg terminates his employment with Superior with good reason, Mr. Vanderberg is entitled to receive his base salary plus an additional amount designed to approximate the value of his employment benefits for a period of eighteen months.

Mr. McCamus' employment agreement provides that he receives annual salary of $300,000 (as at the date of such employment agreement), is entitled to receive an annual bonus (provided he meets the required performance criteria) and is entitled to participate in all other incentive compensation plans and to receive any and all fringe benefit plans, coverages and other perquisites made available from time to time to Superior's senior executives. For the amount of salary and bonus paid to Mr. McCamus for the 2006 fiscal year, please refer to the "Summary Compensation Table".

Mr. McCamus' employment agreement provides that he is entitled to receive an annual bonus of between 0% and 80% of his annual salary, based on whether, and to what extent, Superior Energy Management, a division of Superior achieves certain predetermined performance objectives.

In the event Superior terminates Mr. McCamus' employment without cause or in certain events where Mr. McCamus terminates his employment with Superior with good reason, Mr. McCamus is entitled to receive a lump sum amount of eighteen months of his then current salary in addition to 10% of the lump sum amount of eighteen months of his then current salary.

Securities Issuable Under Equity Compensation Plans

The following table sets forth the number of trust units to be issued upon exercise of outstanding options, warrants and rights issued pursuant to equity compensation plans, the weighted average exercise price of such outstanding options, warrants and rights and the number of trust units remaining available for future issuance under equity compensation plans of the Fund as at December 31, 2006.

Plan Category [(1)]	Number of securities to be issued upon exercise of outstanding options, warrants and rights [(2)]	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by securityholders	1,086,000	$22.69	441,586

Notes:

(1) All of these securities are trust units reserved for issuance pursuant to Trust Unit Options granted under the Fund's Trust Unit Incentive Program. All equity compensation plans have been approved by the Unitholders of the Fund.

(2) The terms of the TUIP provide that upon exercise, the holder receives such number of trust units as equals the quotient obtained by dividing (a) the product obtained by multiplying the number of trust units with respect to which the option is exercised, by the difference between the fair market value of such trust unit and the exercise price, by (b) the fair market value of such trust units where "fair market value" means the average of the daily high and low board lot trading price of such trust units on the TSX for the five trading days immediately preceding the date of exercise of the option. As at December 31, 2006, the fair market value of the trust units was $10.71 and the number of options outstanding was 1,086,000 at a weighted average exercise price of $22.69. As a result, at December 31, 2006, no trust units were issuable pursuant to the terms of the outstanding options.

Indebtedness of Directors and Officers

The following table sets out the aggregate indebtedness of the officers, directors, employees and former officers, directors and employees of the Fund or Superior, to the Fund or Superior or to another entity, but guaranteed or supported by the Fund or Superior, as at December 31, 2006.

AGGREGATE INDEBTEDNESS		
Purpose	To Superior or its Subsidiaries	To Another Entity
Trust Unit Purchases	$500,000 [(1)]	$3,198,199[(2)]

Notes:

(1) Indebtedness associated with the purchase of trust units of the Fund by the remaining executive of Superior involved in the Internalization. See Note 7 to "Summary Compensation Table" and "Report on Executive Compensation – Long-term Incentive and Retention Programs".

(2) Indebtedness of the individual officers and employees of Superior associated with the purchase of trust units of the Fund pursuant to the Fund's management trust unit purchase plan, which indebtedness Superior guarantees up to a maximum of 100%. See "Indebtedness of Directors and Officers".

The following table sets forth particulars of the indebtedness incurred in connection with Superior's management trust unit purchase plan. The MTUPP was established to advance the interests of Superior and the Fund by encouraging and enabling the acquisition of a trust unit interest in the Fund by certain executive officers and senior employees. Under the terms of the MTUPP, participants may acquire trust units of the Fund through open market purchases in pledge accounts established by individual participants with an investment dealer. Participants borrow directly from a chartered bank the entire cash amount required to make the trust unit purchases with Superior guaranteeing up to 66% of the loan amount. Trust units are pledged by the participants as security for the loans. The loan terms vary depending on the participant but typically bear interest at the applicable bank's prime lending rate and have a term between one and four years.

On May 1, 2007, the MTUPP will be unwound. As such, the trust units owned by the participants will be sold and all participants will be released from their MTUPP loan obligations and provided with a gross up for taxes to keep their financial position neutral.

INDEBTEDNESS OF DIRECTORS AND OFFICERS UNDER SECURITIES PURCHASE AND OTHER PROGRAMS			
Name and Principal Position	**Largest Amount Outstanding during 2006 ($)**	**Amount Outstanding as at December 31, 2006 ($)**	**Financially Assisted Securities Purchases During 2006 (#)**
Frank Burdzy Vice-President, Business Operations, Superior Propane	74,610	73,011	Nil
Terrence Gill Vice-President, Human Resources, Superior Propane	215,425	192,555	Nil
John Gleason President, Superior Propane	492,963	490,384	Nil
Desmond Moult Vice-President, Finance, Superior Propane	73,747	73,311	Nil
Gregory Stewart Vice-President, Business Services, Superior Propane	215,002	197,619	Nil
Ed Bechberger Vice-President and General Manager, International Business, ERCO Worldwide	139,723	137,968	Nil
Jamie Betts Technical Advisor and Business Development Support, ERCO Worldwide	140,321	138,668	Nil
Sheila Burke Vice-President, Regulatory Affairs & External Relations, ERCO Worldwide	140,090	138,433	Nil
Dan Corbett Vice-President, Human Resources, ERCO Worldwide	74,549	74,081	Nil
Roger Thomey Director, Offshore Manufacturing, ERCO Worldwide	147,058	143,430	Nil
Robert Jordan Director, Business Development, Winroc	147,851	146,884	Nil
Colin Ramsden Operations Manager, BC Region, Winroc	144,893	143,760	Nil
Peter Welly Vice-President, Operations US and Acoustical, Winroc	147,851	147,043	Nil
Gregory McCamus President, Superior Energy Management	100,000	98,709	Nil

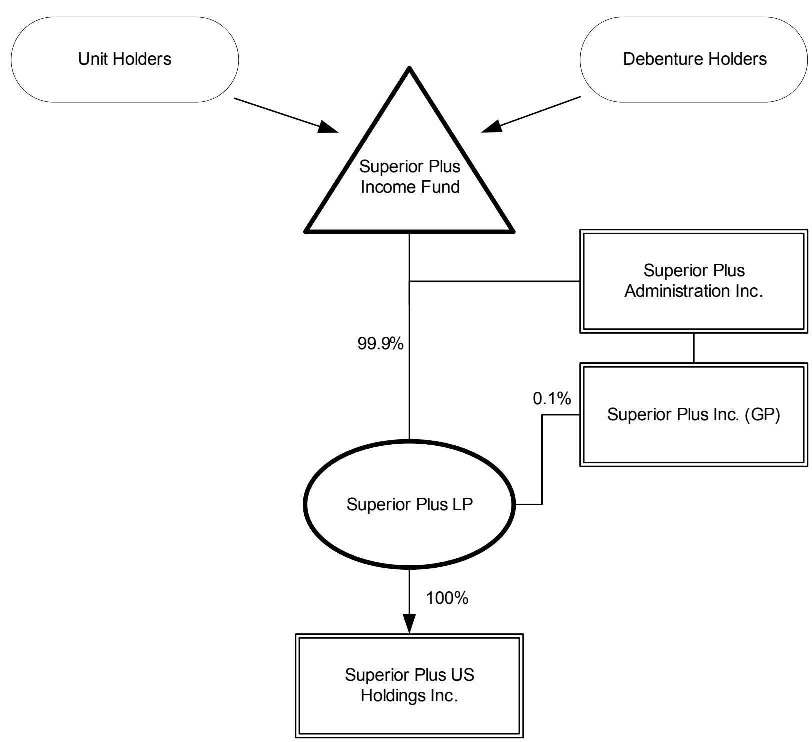
Employees No Longer Employed by Superior and the Divisions			
Theresia Reisch Former Vice-President, Investor Relations and Corporate Secretary	193,890	191,175	Nil
David Eastin Past President, Superior Propane	243,055	239,390	Nil
Derren Newell Former Vice-President, Business Process and Compliance	221,271	162,224	Nil
Clint Warkentin Former Vice-President and Treasurer	74,061	73,676	Nil
John Clarke Former Vice-President and General Manager, North America Chlorate Business, ERCO Worldwide	75,000	75,000	Nil
Jeff Borg Past Senior Vice-President, Superior Energy Management	142,664	140,969	Nil
Gerald M. Haggarty Past President, Superior Energy Management	120,732	119,909	Nil

Note:

(1) For each of the above grants under the MTUPP Superior is the guarantor of up to 66% of the loan and the security for the loan is a pledge of the associated trust units. No indebtedness under these loans was forgiven during 2006.

PART IV: CORPORATE GOVERNANCE PRACTICES

During 2006, Superior Plus strengthened its governance processes. Governance policies and procedures were modified as a result of the reorganization of the Fund into a "Trust-over-Partnership" structure.



The Administrator is the administrator of the Fund and its Board is responsible for overseeing the Fund's investments and reporting to Unitholders. The General Partner's Board is responsible for overseeing the management and operations of the businesses of the Partnership. Unitholders are entitled to elect the directors of both Boards at each annual meeting of the Fund.

Both Boards consist of the same members with extensive business and board experience. Of the ten members, nine are independent, with Grant Billing, Chairman and Chief Executive Officer, being the sole management director. Since 2003, Peter Green has served as Lead Director of Superior to strengthen the independence of the Board from management. Upon completion of the recent internal reorganization, Mr. Green also became Lead Director of the Administrator.

Earlier in 2006, the Board of Superior Plus Inc. formed a special committee to oversee, with input and guidance from third party legal and financial advisors, the comprehensive strategic review process that led to the realignment of the strategy of Superior and the positioning of the Fund for future growth and prosperity. The Board of Superior Plus Inc. also formed advisory committees for each of the businesses, composed of two independent directors, senior corporate management, and one president of another division.

In 2006, the Boards of the Administrator and Superior reviewed and adapted the organization's policies and procedures, including the Code of Business Conduct and Ethics, the Communication and Disclosure, Insider Trading and Whistleblower policies, all designed to promote honesty and integrity throughout Superior. These policies can be found on the Fund's website at *www.superiorplus.com*.

To assist the Boards with their fiduciary responsibilities, the Board of the Administrator is supported by an Audit Committee and a Governance and Nominating Committee. The Board of Superior is supported by a compensation committee. Only independent directors serve on committees of the Board.

Mandate and Composition of the Boards of the Administrator and Superior

The Boards are responsible for the stewardship of the Fund and Superior. Their role is to provide effective leadership and oversight, each with respect to their particular corporate entity. Superior has officers and employees responsible for the day to day management and conduct of the businesses of Superior and the implementation of the strategic plan approved by the Boards. Fundamentally, the Boards seek to ensure that the Fund and Superior conduct their business with honesty and integrity, with a view to creating sustainable and long-term value and profitable growth. Supported by their respective committees, the Boards' processes are designed to achieve an appropriate degree of independence from management; to oversee succession planning; to consider, approve and monitor the Fund's and Superior's strategic, operating, capital and financial plans; and to monitor the risk management framework, including the integrity of internal financial and management systems. The duties and responsibilities of each Board are set out in the written mandates of the Boards, copies of which are attached as Appendix "B".

The Boards are comprised of ten members with extensive business and board experience and high standards of ethics. Of the ten members, nine are independent and one is a management director. All independent members currently participate in at least one standing committee. For more information on independence, see "Independence of Board and Committee Members". The Boards have a Chairman who is also the Chief Executive Officer and a Lead Director to provide greater independence of the Boards from management. Currently, the Lead Director also serves as Chair of the Governance and Nominating Committee. Position descriptions of the Chairman and Chief

Executive Officer and the Lead Director delineate their roles and responsibilities. Position descriptions of the Chairman and Chief Executive Officer and the Lead Director are available on the Fund's website. Key duties of the Lead Director include acting as liaison between management and the Boards, reviewing conflict of interest issues that may arise and chairing in camera meetings of the Boards, without management present, at each Board meeting. Under the guidance of the Governance and Nominating Committee, the Lead Director guides the annual Board effectiveness and assessment evaluation. During the last evaluation in 2006, it was determined that the Board was the appropriate size and possessed the necessary competencies to efficiently discharge its duties and responsibilities.

Committees of the Board

The Compensation Committee is a committee of Superior, and the Audit Committee and the Governance and Nominating Committee are committees of the Administrator. To the extent that there are responsibilities at either the Administrator or Superior level which involve matters typically handled by one of these committees and no such committee exists, such matters shall remain the responsibility of the entire Board of such entity. Mandates of the Boards as well as the mandate of the Audit Committee of the Administrator, are attached as Appendix "B". The mandates of the Compensation Committee of Superior and the Governance and Nominating Committee of the Administrator are posted on the Fund's website at *www.superiorplus.com*.

Audit Committee

Composition and Qualifications

The Audit Committee of the Board of the Administrator consists of three directors, Messrs. Smith (Chair), Green and Valentine, all of whom are "financially literate", and "independent" within the meaning of the Audit Committee Rule. In considering criteria for the determination of financial literacy, the Board looks at the ability to read and understand a balance sheet, an income statement and a statement of cash flow of a public entity. Mr. Smith is a chartered financial analyst with over 25 years experience in the investment banking, investment research and management industry. His experience includes investment research, mergers and acquisitions, project finance, privatization and corporate finance. Mr. Smith currently is a managing director and founding partner of Enterprise Capital Management Inc. Mr. Green is a chartered accountant and international business advisor with over 30 years of experience in senior executive roles, including 25 years as Chief Executive Officer or Chief Operating Officer of international companies. Currently, Mr. Green serves as Chairman of Patheon Inc., a global pharmaceutical company. Mr. Valentine is a chartered accountant, served as Auditor General of Alberta from 1995 to 2002 and held various senior accounting, audit and advisory positions with KPMG over a 38-year period. He served as a member of the Accounting Standards Committee and the Public Sector Accounting Standards Board of the Canadian Institute of Chartered Accountants. Mr. Valentine serves as senior advisor to the CEO, Calgary Health Region and until February, 2007, was senior advisor to the Dean of Medicine, University of Calgary.

Responsibilities and Terms of Reference

The Audit Committee reviews with management and the external auditors, and recommends to the Board of the Administrator for approval, the annual and interim financial statements of the Fund, the reports of the external auditors thereon and related financial reporting, including management's discussion and analysis and financial press releases. The Audit Committee reviews and oversees, in conjunction with the external auditors and management, audit plans and procedures and meets with the auditors independent of management, at each quarterly meeting. It is responsible for reviewing auditor independence, approving all non-audit services, reviewing and making recommendations to the Board of the Administrator on internal control procedures and management information systems. In addition, the committee is responsible for assessing and reporting to the Board of the Administrator on financial risk management positions and monitoring the processes and compliance with respect to CSOX requirements. To the extent that any of the above matters apply to the operations and businesses of Superior, such matters will be dealt with at the Superior Board level. The mandate of the Audit Committee is set forth in Appendix "B".

Audit Fees

Fees payable to Deloitte & Touche for the years ended December 31, 2005 and December 31, 2006 are detailed in the following table:

	Year Ended December 31, 2006	**Year Ended December 31, 2005**
Audit fees	$818,200	$407,136
Audit-related fees	$248,104	338,927
All other fees	–	–
	$1,066,304	**$746,063**

Audit fees were paid for professional services rendered by the auditors for the audit of the Fund's and Superior's annual financial statements or services provided in connection with statutory and regulatory filings. Audit-related fees were paid for review of quarterly financial statements of Superior and the Fund, attendance at quarterly audit meetings, pension plan audits, regulatory reviews, and for services provided in connection with financings, accounts receivable securitization program requirements, including French translation services provided in connection therewith.

All permissible categories of non-audit services require approval from the Audit Committee.

Governance and Nominating Committee

The Governance and Nominating Committee of the Administrator consists of three independent directors: Messrs. Green (Chair), Engbloom, and MacDonald. The Governance and Nominating Committee has the overall responsibility for reviewing the corporate governance practices and assessing the functioning and effectiveness of the Board, its committees and individual members. It is also responsible for recommending suitable director candidates to the Board and for maintaining plans for orderly succession of directors to keep the Board balanced in terms of skills and experience. In addition, the Governance and Nominating Committee oversees continuous education programs for Board members and effective orientation and education programs for new directors. In fulfilling its mandate, the Committee has developed and conducts an annual effectiveness survey designed to assess the effectiveness of the Board, its committees and individual directors. It also monitors developments in corporate governance issues and best practices among major Canadian companies and other business organizations to be satisfied that the Fund continues to carry out high standards of corporate governance.

Compensation Committee

The Compensation Committee consists of three independent directors: Messrs. Gish (Chair), Lennox and MacDonald. The Compensation Committee has the overall responsibility for Superior's human resources policies and procedures, including its compensation and incentive programs and its pension policies and practices. It reviews the adequacy and form of compensation for directors and senior management and assesses senior management's performance and succession plans.

PART V: OTHER MATTERS

Communication with the Board

Unitholders who would like to communicate directly with the Board should direct their communication to: Grant D. Billing, Chairman and Chief Executive Officer or Peter A.W. Green, Lead Director, Superior Plus, c/o Corporate Secretary, 605 - 5th Avenue SW, Suite 2820, Calgary, Alberta, T2P 3H5.

Additional Information

Copies of this Information Circular, the Fund's Annual Report which contains the financial statements, management discussion and analysis and the auditor's report thereon for the Fund's most recently completed financial year, any interim financial statements of the Fund subsequent to those statements contained in the Annual Report, and the Fund's Annual Information Form for the fiscal year ended December 31, 2006, as filed with the applicable Canadian regulatory authorities, are available on SEDAR at *www.sedar.com* and may also be obtained without charge by writing to the Secretary of Superior at 2820, 605 – 5th Avenue SW, Calgary, Alberta T2P 3H5.

Board Approval

The Board of Directors of the Administrator have approved the contents of this Information Circular and the sending of this Information Circular to the Unitholders of the Fund.

Dated at Calgary, Alberta this 6th day of March, 2007.

SUPERIOR PLUS INCOME FUND by
SUPERIOR PLUS ADMINISTRATION INC.

(Signed) "*Grant D. Billing*"	(Signed) "*Leanne E. Likness*"
Grant D. Billing	Leanne E. Likness
Chairman and Chief Executive Officer	Corporate Secretary

APPENDIX "A"
STATEMENT OF CORPORATE GOVERNANCE DISCLOSURE

The Administrator is committed to maintaining high standards of corporate governance and continually assesses its governance practices against evolving policies, practices and requirements.

This Statement of Corporate Governance Practices has been approved by the Governance and Nominating Committee and the Board of the Administrator. The Board of the Administrator has determined that Superior's corporate governance practices are aligned with the Canadian Securities Administrators' disclosure standards.

Compliance	Governance Disclosure Requirement and Comments
	1. Board of Directors
✓	*(a) Disclose the identity of directors who are independent.* Nine out of the ten directors are independent. Please refer to "Independence of Board and Committee Members" on page 9 of the Information Circular.
✓	*(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.* One of the ten directors is not independent. Mr. Grant D. Billing is not considered independent as 1) Mr. Billing is an executive officer of the Administrator; and 2) Mr. Billing receives more than $75,000 annually in direct compensation from Superior. For further information on the independence of the Board members, please refer to "Independence of Board and Committee Members" on page 9 of the Information Circular.
✓	*(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the board) does to facilitate its exercise of independent judgment in carrying out its responsibilities.* A majority or 90% (representing nine of ten) of the members of the Board are independent.
✓	*(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.* Please refer to "Other Public Company Directorships/Committee Appointments" on page 10 of the Information Circular.
✓	*(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.* Following each meeting, the Boards and the committees conduct in-camera sessions,

Compliance	Governance Disclosure Requirement and Comments
	at which non-independent directors or management are not in attendance.
✓	(f) *Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.* The Boards have a Chairman who is also the Chief Executive Officer of Superior and the Administrator and is therefore not independent. Mr. Green was appointed and continues to act as Lead Director to provide greater independence of the Boards from management. Mr. Green also acts as Chair of the Governance and Nominating Committee. His duties as Lead Director include acting as liaison between management and the Boards, reviewing conflict of interest issues that may arise, and chairing in camera meetings of the Boards, at every Board meeting. Position descriptions of the Chairman and Chief Executive Officer and the Lead Director delineate their roles and responsibilities. These position descriptions are available on the Fund's website at *www.superiorplus.com*.
✓	(g) *Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.* Please refer to "Board and Committee Meetings Held in 2006" on page 11 of the Information Circular.
✓	**2. Board Mandate –** *Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.* The complete text of the Boards' mandates are attached as Appendix "B" to this Information Circular. The mandates of the Governance and Nominating Committee of the Administrator and the Compensation Committee of Superior can be found on our website at *www. superiorplus.com*.
	3. Position Descriptions
✓	(a) *Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.* The Boards have developed written position descriptions for the Chairman and Chief Executive Officer, the Lead Director, and for the Chair of each committee for both the Administrator and Superior, specifically the Audit Committee, the Governance and Nominating Committee and the Compensation Committee. The complete text of these position descriptions can be found on our website at *www. superiorplus.com*.
✓	(b) *Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.* The Boards have developed a written position description for the Chairman and

Compliance	Governance Disclosure Requirement and Comments
	Chief Executive Officer. The complete text of such position description can be found on our website at *www. superiorplus.com.*
	4. Orientation and Continuing Education
✓	*(a) Briefly describe what measures the board takes to orient new directors regarding* *(i) the role of the board, its committees and its directors, and* *(ii) the nature and operation of the issuer's business.* • The Chairman and Chief Executive Officer and the Lead Director discuss with new directors the role of the Boards, its committees, governance, integrity and corporate values, and the contribution individual directors are expected to make. • Senior management provides orientation and education on operations, the strategic plan, the financial position, risks and risk management processes and current issues facing the Superior's businesses. • Trips to operating sites are arranged for directors. • An information binder has been developed for new directors, containing the Fund's and Superior's constating documents, public disclosure documents, policies and guidelines, Board information, including Board and committee mandates, meeting dates, remuneration and indemnification, and relevant business and operational information. The information binder is updated, as required.
✓	*(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.* • Directors are surveyed annually, in conjunction with the performance evaluation, to determine areas that would assist them in maximizing effectiveness. This information serves as a basis for developing an annual continuing education program. • Board meetings are conducted from different locations to allow directors to tour Superior's plants and facilities. • Presentations are made to the Boards at all regularly scheduled board meetings to educate and keep them informed of changes within Superior and in regulatory and industry requirements and standards. • The Governance and Nominating Committee reviews information on available educational opportunities and ensures directors are aware of those opportunities. • Superior pays for director education. The Governance and Nominating Committee ensures that directors are aware of educational opportunities. Superior offers membership in the Institute of Corporate Directors ("ICD") to all members of the Boards. Mr. Valentine has completed the Directors Education Program through the ICD Corporate Governance College in partnership with the University of Calgary, Haskayne School of Business and the J.L. Rotman School of Management, University of Toronto and holds the ICD designation.

Compliance	Governance Disclosure Requirement and Comments
	5. Ethical Business Conduct
✓	*(a) Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code:* *(i) disclose how a person or company may obtain a copy of the code;* *(ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and* *(iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.* On August 9, 2005, Superior Plus Inc. adopted a written Code of Business Conduct and Ethics (the "Code"), which was subsequently reviewed and amended on November 8, 2006 by the Administrator and Superior. The Code supplements the Administrator's and Superior's existing principles and value statements designed to promote honesty and integrity across its four operating divisions. The Code addresses the following issues (a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest; (b) protection and proper use of corporate assets and opportunities; (c) confidentiality of corporate information; (d) fair dealing with the Fund's Unitholders and Superior's customers, suppliers, competitors and employees; (e) compliance with laws, rules and regulations; and (f) reporting of any illegal or unethical behaviour. The Code applies to all directors, officers, employees and consultants of the Fund and Superior. Superior has a process in place by which employees certify on an annual basis their familiarity with and adherence to the principles of the Code and to any other of the Fund's and Superior's policies, including the Communication and Disclosure Policy and Practices, Insider Trading and Whistleblower policies. Results of annual certifications and any incidents of non-compliance are reported through the respective committees to the Boards. The Code encourages employees to seek advice or report concerns without fear of retribution through the Whistleblower Policy, of which the administration is outsourced for greater anonymity. A waiver of the Code for directors, officers, employees and consultants may be granted only by the Boards and must promptly be disclosed, as required by applicable rules and regulations. For 2006, no waiver of the Code has been granted. The Code is available on the SEDAR website at *www.sedar.com* and on the Fund's website at *www.superiorplus.com*. The Insider Trading, Communication and Disclosure Policy and Practices and the Whistleblower Policy are also available on the Fund's website at *www.superiorplus.com*. The Boards have not granted any waiver of the Code in favour of a director or executive officer during 2006. No material change report pertaining to conduct departing from the Code was required to be filed.
	(b) Describe any steps the board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.
✓	To ensure directors exercise independent judgment in considering transactions and agreements, at the beginning of each Board meeting, the directors are asked if there are any independence or conflict of interest issues that may compromise independent judgment. If, at any Board meeting, a director or executive officer has a material interest in a matter being considered, such director or officer would not be present

Compliance	Governance Disclosure Requirement and Comments
	for discussions relating to the matter and would not participate in any vote on the matter.
✓	(c) *Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.* Superior's ethics efforts have strong support by the Boards. The Chairman and Chief Executive Officer is responsible for fostering a corporate culture that promotes ethical conduct and integrity of the Corporation as well as ensuring that appropriate processes and rules are in place and observed so that ethical conduct and integrity is achieved in practice. For further information, please refer to 5(a) above.
	6. Nomination of Directors
✓	(a) *Describe the process by which the board identifies new candidates for board nomination.* The Governance and Nominating Committee is responsible for recommending suitable candidates for nomination for election or appointment as a director to the Board of the Administrator. The Committee annually reviewed a skills matrix, which sets forth various skills and areas of expertise determined to be essential to the Board, and updates it as necessary. This matrix is then used as a basis in recruiting new members to the Board. An evergreen list is maintained to identify potential directors who may possess the skills that are important to board membership. The Committee has the authority to hire outside consultants to assist in identifying and screening qualified candidates. To the extent the above governance and nominating matters relate to the Board of Superior, these matters will be dealt with at the Superior Board level.
✓	(b) *Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.* The Governance and Nominating Committee of the Administrator is comprised of three independent directors, namely, Messrs. Green (Chair), MacDonald and Engbloom. For further information, please refer to "Independence of Board and Committee Members" on page 9 of the Information Circular.
✓	(c) *If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.* The Governance and Nominating Committee, among other things, is responsible for assisting the Board in identifying suitable director candidates and for maintaining plans for orderly succession of directors to keep the Board balanced in terms of skills and experience. The full text of the mandate for the Governance and Nominating Committee can be found on our website at *www. superiorplus.com*.

Compliance	Governance Disclosure Requirement and Comments
	7. Compensation
✓	*(a) Describe the process by which the board determines the compensation for the issuer's directors and officers.* The Board of Superior has appointed a Compensation Committee with responsibility for recommending compensation for directors and the officers Superior. The compensation of the Chairman and Chief Executive Officer is reviewed by the Compensation Committee and then recommended to the independent directors of the Board for approval.
✓	*(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.* The Compensation Committee is composed of three independent directors, namely, Messrs. Gish (Chair), Lennox and MacDonald. For further information, please refer to "Independence of Board and Committee Members" on page 9 of the Information Circular.
✓	*(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.* The full text of the Compensation Committee mandate can be found on our website at *www. superiorplus.com*.
✓	*(d) If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.* The Compensation Committee has retained Mercer to provide specific support to the Committee in determining compensation for the directors and Superior's officers during the most recently completed fiscal year. This support has consisted of (i) the provision of general market observations throughout the year with respect to market trends and issues, (ii) the provision of benchmark market data, (iii) the development of incentive plans and (iv) attendance at five meetings at which market analysis findings were presented to the Committee. Decisions made by the Compensation Committee, however, are the responsibility of the Committee and may reflect factors and considerations other than the information and recommendations provided by Mercer. Mercer's fees for executive compensation services to the Compensation Committee totaled approximately $123,000 (exclusive of GST) in fiscal year 2006.
✓	**8. Other Board Committees –** *If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.* The Boards do not have any standing committees other than the Audit, the Governance and the Nominating and the Compensation Committee.

Compliance	Governance Disclosure Requirement and Comments
✓	9. **Assessments –** *Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.* • The Governance and Nominating Committee leads a full annual evaluation of the effectiveness and performance of the Boards, all Board Committees and individual directors. • The Governance and Nominating Committee has developed an annual board effectiveness survey which includes an individual director self-evaluation questionnaire and guide and evaluation of peer performance. The evaluation uses confidential director questionnaires which encourage candid and constructive commentary. • The assessment mechanism is led by the Chair of the Committee, who is also the Lead Director. He tabulates, analyzes and reports the results to the Committee and the Boards, after conducting an interview with each director. Confidentiality of individual director comments is maintained. The evaluation carried out in 2006 showed that the Board, Committees, Chairman and Chief Executive Officer, Lead Director and individual directors were fulfilling their responsibilities.

APPENDIX "B"
MANDATES

SUPERIOR PLUS ADMINISTRATION INC.

BOARD OF DIRECTORS
MANDATE

A. Purpose and Role

The Board of Directors (the "Board") of Superior Plus Administration Inc. (the "Corporation") has the duty to oversee the management of the affairs of the Corporation and Superior Plus Income Fund (the "Fund"). Under the Declaration of Trust and the Administration Agreement establishing and providing for the governance of the Fund, the Corporation and the Board have assumed a wide range of duties and responsibilities regarding the management and administration of the affairs of the Fund. In discharging these duties and responsibilities and under applicable law, the Corporation, with respect to the Fund, and each member of the Board with respect to each of the Corporation and the Fund is required to act honestly and in good faith with a view to the best interests of, in the case of the Corporation, the Fund, and in the case of each member of the Board, the Corporation and the Fund, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. As such, the Board's duties and responsibilities are framed in the context of the Board and the Corporation's relationship with the Fund and its unitholders. In discharging its duties and responsibilities, the Board shall act in accordance with applicable law, including the provisions of the *Canada Business Corporations Act*.

The Board explicitly assumes the responsibility for the stewardship of the Corporation. The role of the Board is one of stewardship and oversight of the management of the Corporation and the Fund. The Corporation has delegated to management the day to day management function and conduct of the business of the Corporation and the implementation of the strategic plan approved by the Board. The Board seeks to ensure that the Corporation conducts its business with honesty and integrity, with a view of creating sustainable and long-term value.

B. Responsibilities

The Board's responsibilities shall include:

a. to the extent feasible, satisfying itself of the integrity of the Chief Executive Officer (the "CEO") and that the CEO and management create a culture of integrity throughout the Fund and its subsidiaries and affiliates;

b. the establishment of an appropriate system of corporate governance, including practices to ensure that the Board functions independently of management;

c. the adoption of a strategic planning process, the review and approval of a strategic plan which takes into account, among other things, the nature of the Fund and the opportunities and risks associated with affairs of the Fund and the businesses of its subsidiaries, and the annual monitoring, review, and updating of the strategic plan;

d. the oversight of the human resources and compensation matters of the Corporation and the Fund;

e. the annual review of the executive compensation disclosure of the Fund in its information circular, and be satisfied that the overall compensation philosophy and policy for senior officers is adequately disclosed and describes in sufficient detail the rationale for salary levels, incentive payments, stock grants, stock options, pensions and all other components of executive compensation;

f. having regard to the advice and input of the Audit Committee, the oversight of compliance with applicable audit, accounting and reporting requirements and the approval of annual operating and capital budgets;

g. having regard to the advice and input of the Audit Committee, the review and being satisfied that appropriate controls are in place with respect to applicable certification requirements regarding the Fund's financial and other disclosure;

h. having regard to the advice and input of the Audit Committee, the review and being satisfied with the integrity of the Fund's internal control and management information systems;

i. having regard to the advice and input of the Audit Committee, the designation of nominees for appointment or re-appointment as external auditors of the Fund, the final decision with respect thereto to be made by the unitholders of the Fund;

j. the development of measures for receiving feedback from unitholders and other stakeholders;

k. establishing the level and form of compensation for the Board and Committee members;

l. the adoption and annual review of the Fund's corporate communications and disclosure policy which, among other matters, (i) promotes consistent disclosure practices aimed at accurate, informative, timely and broadly disseminated disclosure of material information to the markets, (ii) addresses how the Fund interacts with analysts and the public, and (iii) contains measures to avoid selective disclosure;

m. having regard to the advice and input of the Governance and Nominating Committee, the adoption of a Code of Business Conduct and Ethics (the "Code") for directors, officers, and employees of the Fund and its subsidiaries and affiliates;

n. decisions with regard to:

   1. acquisitions and divestitures;

   2. debt or equity financings, and the payment of any commissions and fees in connection thereto;

   3. amendments to the distribution policy of the Fund;

   4. submitting to the unitholders of the Fund, as applicable, any question or matter requiring their respective approval;

   5. issuing securities and purchasing, redeeming, or otherwise acquiring securities issued by the Fund;

   6. approving the annual management proxy circular and the annual information form of the Fund;

   7. approving the financial statements of the Fund; and

8. adopting, amending or repealing the by-laws of the Corporation or amending the Administration Agreement or Declaration of Trust.

In the event that the external auditors (or former external auditors) of the Fund inform the Board of what the external auditors consider to be a material error or misstatement in a financial statement of the Fund that the external auditor (or former external auditor) has reported on, the Board shall be satisfied that either revised financial statements are prepared and issued to the unitholders of the Fund or that the unitholders of the Fund are otherwise informed of such error or misstatement; and

In the event that a director of the Corporation becomes aware of any error or misstatement in a financial statement of the Fund that the external auditor (or a former external auditor) has reported on, such director shall notify the Audit Committee and the external auditor of any such error or misstatement.

C. Composition and Effectiveness of the Board

The Board shall:

a. consist of not less than seven and not more than fifteen directors, at least one-quarter of whom are resident Canadians (as defined in the *Canada Business Corporations Act*) and at least a majority of whom are independent, as defined under applicable securities laws, rules and guidelines;

b. having regard to the advice and input of the Governance and Nominating Committee, approve the number of directors to be elected and the nominees for election by the unitholders of the Fund;

c. be satisfied that all new directors receive a comprehensive orientation and that appropriate continuing education opportunities are provided for all directors; and

d. consider the report of the Governance and Nominating Committee with respect to the evaluation and effectiveness of the Board, its members and its committees and their members.

D. Board Committees

The Board shall have the following standing committees:

a. Audit Committee; and

b. Governance and Nominating Committee.

The composition and responsibilities of these committees shall be as set forth in the mandates for these committees as prescribed from time to time by the Board, which mandates shall be reviewed annually by the Board. The Board may constitute additional standing committees or special committees with special mandates as may be required or appropriate from time to time.

At each meeting of the Board, committees of the Board shall report any recent developments or activities undertaken by the respective committees.

Appointment of members to standing committees shall be the responsibility of the Board, having received the recommendation of the Governance and Nominating Committee. In this regard, consideration will be given to rotating committee members from time to time and to the special skills of particular directors. Committee chairs will be selected by the Board or, in the event of its failure to do so, by the Committee's members. At the recommendation of the Governance and Nomination Committee, the Board shall regularly review the position descriptions for the chair of each committee.

In discharging his or her obligations, an individual director may engage outside advisors, at the expense of the Corporation, in appropriate circumstances and subject to the approval of the Governance and Nominating Committee. In addition, any committee of the Board has the authority to engage outside advisors without prior approval of the Governance and Nominating Committee.

E. Chair of the Board/Lead Director

The Board shall be responsible for the selection of a Chair of the Board following receipt of the recommendation of the Governance and Nominating Committee. If the Chair of the Board is an Executive Chair or is not independent of the management, the Board shall appoint a Lead Director who is independent of management. The Chair of the Board shall, with the Lead Director, if one, set Board agendas and be responsible for the extent and quality of the information sent to directors. At the recommendation of the Governance and Nominating Committee, the Board shall regularly review the position descriptions for the Chair of the Board and the Lead Director. The Lead Director shall be the Chair of the Governance and Nominating Committee.

F. Board Meetings

Information and data that is important to the Board's understanding of the businesses of the Corporation should be distributed to and reviewed by the Board on a timely basis in advance of the meetings. Management should make every attempt to see that this material is as brief as possible while still providing the information relevant to proposed Board discussion. Care should be taken to ensure that the Board is not called upon too late in the decision making process.

As a general rule, presentations on specific subjects should be sent to the Board members in advance so that Board meeting time may be conserved and discussion time focused on questions that the Board has arising from the material.

Senior management should be invited to attend the Board meetings as appropriate to expose the directors to key members of management to each other and to provide additional insight into the items being considered by the Board.

The Board shall hold an *in camera* session of the directors, without non-independent directors and management members or representatives present, at every Board meeting.

G. Stakeholder Communication

Any stakeholder may contact the Board by e-mail or in writing to the Board c/o the Corporate Secretary. Matters relating to the Corporation's or the Fund's accounting, internal accounting controls or auditing matters will be referred to the Audit Committee. Other matters will be referred to the Chairman and CEO or the Lead Director, as appropriate. Stakeholders may also directly contact the Chairman and CEO or the Lead Director.

SUPERIOR PLUS INC.

BOARD OF DIRECTORS MANDATE

A. Purpose and Role

The Board of Directors (the "Board") of Superior Plus Inc. (the "Corporation"), as General Partner of Superior Plus LP (the "Partnership") has the duty to oversee the management of the business and affairs of the Corporation which in turn is responsible for managing and operating the business of the Partnership. All of the shares of the Corporation are owned by Superior Plus Income Fund (the "Fund"). In discharging its duties and responsibilities and under applicable law and the terms of the limited partnership agreement establishing the Partnership (the "LP Agreement"), the Board of Directors' of the Corporation is required to act honestly and in good faith with a view to the best interests of the Corporation and the Partnership and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. As such the Board's duties and responsibilities are framed in the context of the Board's and the Corporation's role as general partner of the Partnership. In discharging its duties and responsibilities, the Board shall act in accordance with applicable law, including the provisions of the *Canada Business Corporations Act*.

The Board explicitly assumes the responsibility for the stewardship of the Corporation. The role of the Board is one of stewardship and oversight. The Corporation has officers and employees responsible for the day to day management and conduct of the businesses of the Partnership (collectively, the "Businesses") and the implementation of the strategic plan approved by the Board. The Board seeks to ensure that the Corporation conducts its business with honesty and integrity, with a view of creating sustainable and long-term value and profitable growth.

B. Responsibilities

The Board's responsibilities shall include:

a. to the extent feasible, satisfying itself of the integrity of the Chief Executive Officer (the "CEO") and that the CEO and management create a culture of integrity throughout the Corporation;

b. the establishment of an appropriate system of corporate governance, including practices to ensure that the Board functions independently of management;

c. the adoption of a strategic planning process, the review and approval of a strategic plan which takes into account, among other things, the nature of the Fund the opportunities and risks associated with the Businesses, and the annual monitoring, review, and updating of the strategic plan;

d. the identification of the principal business risks of the Businesses and the implementation of appropriate systems to manage these risks;

e. the oversight of compliance with applicable audit, accounting and reporting requirements and the approval of annual operating and capital budgets, as well as being satisfied with the integrity of internal control and management information systems;

f. the review and being satisfied that appropriate controls are in place with respect to applicable certification requirements with respect to the Fund's financial and other disclosure;

g. the review and being satisfied with the integrity of the Corporation's internal control and management information systems;

h. the designation of nominees for appointment or re-appointment as external auditors of the Corporation, the final decision with respect thereto to be made by the unitholders of the Fund;

i. the adoption of a Code of Business Conduct and Ethics for directors, officers and employees of the Corporation and monitoring of compliance, including the approval of any waivers under the terms of the Code;

j. having regard to the advice and input of the Compensation Committee, establishing the level and form of compensation for the Board and Committee members;

k. decisions with regard to:

    1. acquisitions or divestitures in excess of the approved budgetary amounts set forth in Section G(d) below;

    2. debt or equity financings of the Corporation or the Partnership and the payment of any commissions and fees in connection thereto;

    3. establishing and amending the policies of the Partnership for distributing and loaning funds and establishing a dividend policy, if appropriate;

    4. appointments or removals of senior executive officers;

    5. issuing securities and purchasing, redeeming, or otherwise acquiring shares issued by the Corporation and the Partnership;

    6. approving the financial statements of the Partnership; and

    7. adopting, amending or repealing the by-laws of the Corporation or the terms of the LP Agreement; and

    8. such other decision making activities that are identified as responsibilities of the general partner in the LP Agreement.

In the event that the external auditors (or former external auditors) of the Corporation inform the Board of what the external auditors consider to be a material error or misstatement in a financial statement of the Partnership that the external auditor (or former external auditor) has reported on, the Board shall be satisfied that either revised financial statements are prepared and issued to the holders of the Partnership or that the holders of the Partnership are otherwise informed of such error or misstatement; and

In the event that a director of Corporation becomes aware of any error or misstatement in a financial statement of the Partnership that the external auditor (or a former external auditor) has reported on, such director shall notify the Board and the external auditor of any such error or misstatement.

C. Composition and Effectiveness of the Board

The Board shall:

a. consist of not less than seven and not more than fifteen directors, at least one-quarter of whom are resident Canadians (as defined in the *Canada Business Corporations Act*) and at least a majority of whom are independent, as defined under applicable securities laws, rules and guidelines;

b. approve the number of directors to be elected and the nominees for election by the unitholders of the Fund;

c. be satisfied that all new directors receive a comprehensive orientation and that appropriate continuing education opportunities are provided for all directors; and

d. perform evaluations and prepare and consider reports with respect to the evaluation and effectiveness of the Board, its members and its committees and their members.

D. Board Committees

The Compensation Committee (the "Committee") shall be the only standing Committee of the Board.

The composition and responsibilities of this Committee shall be as set forth in the mandate for the Committee as prescribed from time to time by the Board, which mandate shall be reviewed annually by the Board. The Board may constitute additional standing committees or special committees with special mandates as may be required or appropriate from time to time.

At each meeting of the Board, the Committee shall report any recent developments or activities undertaken.

Appointment of members to standing committees shall be the responsibility of the Board. As the Board does not have a Governance and Nominating Committee, the entire Board shall review and consider the appointment of such members. In this regard, consideration will be given to rotating committee members from time to time and to the special skills of particular directors. Committee chairs will be selected by the Board. The Board shall regularly review the position descriptions for the chair of the Committee.

In discharging his or her obligations, an individual director may engage outside advisors, at the expense of the Corporation, in appropriate circumstances and subject to the approval of the Board.

E. Chair of the Board/Lead Director

The Board shall be responsible for the selection of a Chair of the Board. If the Chair of the Board is an Executive Chair or is not independent of the management, the Board shall appoint a Lead Director who is independent of management. The Chair of the Board shall, with the Lead Director, if one, set Board agendas and be responsible for the extent and quality of the information sent to directors. The Board shall regularly review the position descriptions for the Chair of the Board and the Lead Director.

F. Board Meetings

Information and data that is important to the Board's understanding of the Business should be distributed to and reviewed by the Board on a timely basis in advance of the meetings. Management should make every attempt to see that this material is as brief as possible while still providing the information relevant to proposed Board discussion. Care should be taken to ensure that the Board is not called upon too late in the decision making process.

As a general rule, presentations on specific subjects should be sent to the Board members in advance so that Board meeting time may be conserved and discussion time focused on questions that the Board has arising from the material.

Senior management should be invited to attend the Board meetings as appropriate to expose the directors to key members of management to each other and to provide additional insight into the items being considered by the Board.

The Board shall hold an *in camera* session of the directors, without non-independent directors and management members or representatives present, at every Board meeting.

G. CEO and Management

a. The Board shall appoint the CEO, approve his/her compensation and monitor the CEO's performance against a set of goals and objectives established by the Board. Together with the CEO, the Board shall regularly review the position description for the CEO;

b. The Board shall oversee the succession planning, including appointing, training and monitoring of senior management;

c. Management has the responsibility to present a strategic plan to the Board for its review. The strategic plan shall take into account, amongst other matters, the opportunities and risks of the Businesses. The strategic planning process shall be a dynamic process that changes and evolves as the risks and opportunities of the Businesses evolve. Accordingly, it will be necessary to update the strategic plan on at least an annual basis; and

d. Management is authorized to incur costs and expenses within approved budgets and forecasts. Any discretionary capital expenditures require the approval of the Chairman and CEO and any such discretionary capital expenditures in excess of $10 million, on a cumulative basis, shall require prior Board approval. The Chairman and CEO may delegate this approval authority. The Board shall be informed of any discretionary capital expenditures approved since the previous Board meeting. Any discretionary capital expenditures approved by the Board shall no longer form part of the $10 million cumulative amount.

SUPERIOR PLUS ADMINISTRATION INC.

AUDIT COMMITTEE
MANDATE

A. Purpose

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Superior Plus Administration Inc. (the "Corporation") is to assist the Board in fulfilling its oversight responsibilities in relation to the review and approval of the financial statements and financial reporting of Superior Plus Income Fund, its wholly-owned partnership, Superior Plus LP and its subsidiaries (the "Fund"), including management's assessment of internal controls over financial reporting, and assessing other internal controls, management information, and the risk management systems and procedures of the Fund. The Committee shall also be directly responsible for overseeing the relationship of the external auditors with the Corporation and the Fund and the external auditors shall report directly, and be accountable, to the Committee.

The role of the Committee is one of stewardship and oversight. The Committee plays an important role within the control environment and monitoring components of internal control over financial reporting. Management is responsible for preparing the financial statements and financial reporting of the Fund and for maintaining internal control and management information and risk management systems and procedures. The external auditors are responsible for the integrated audit or review of the financial statements and the internal controls over financial reporting and other services they provide.

B. Mandate

1. <u>Financial Statements and Financial Reporting</u>

The Committee shall:

(a) review with management and the external auditors, and recommend to the Board for approval, the annual financial statements of the Fund, the reports of the external auditors thereon and related financial reporting, including Management's Discussion and Analysis ("MD&A") and earnings press releases prior to the public disclosure of such information;

(b) review with management and the external auditors, and recommend to the Board for approval, the interim financial statements of the Fund and related financial reporting, including MD&A and earnings press releases prior to the public disclosure of such information;

(c) review with management and recommend to the Board for approval, the Fund's Annual Information Forms;

(d) review with management and recommend to the Board for approval, any financial statements of the Corporation or the Fund which have not previously been approved by the Board and which are to be included in a prospectus of the Fund;

(e) review with management and the external auditors, and recommend to the Board for approval, management's internal control reports of the Fund, and the reports of the external auditors thereon and the related required disclosures in the MD&A, as required by applicable securities laws, rules and guidelines;

(f) consider and be satisfied that appropriate processes are in place with respect to applicable certification requirements regarding the Fund's annual and interim financial statements and other disclosure;

(g) consider and be satisfied that adequate procedures are in place for the review of the Fund's public disclosure of financial information extracted or derived from the Fund's financial statements (other than disclosure referred to in clauses (a) and (b) above), and periodically assess the adequacy of such procedures;

(h) review with management, the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Fund, and the manner in which these matters may be, or have been, disclosed in the financial statements; and

(i) review accounting, tax and financial aspects of the operations of the Fund as the Committee considers appropriate.

2. Relationship with External Auditors

The Committee shall:

(a) review and evaluate the external auditors, including the lead partner's performance and make a recommendation to the Board as to the appointment or re-appointment of the external auditors, ensuring that such auditors are participants in good standing pursuant to applicable securities laws;

(b) consider and make a recommendation to the Board as to the compensation of the external auditors;

(c) review and approve the annual audit plan of the external auditors;

(d) oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services, including the resolution of any disagreements between management and the external auditors;

(e) review and discuss with the external auditors all significant relationships that the external auditors and their affiliates have with the Fund and their affiliates in order to determine the external auditors' independence, including, without limitation, (a) requesting, receiving and reviewing, on a periodic basis, a formal written statement from the external auditors delineating all relationships that may reasonably be thought to bear on the independence of the external auditors with respect to the Corporation and the Fund, (b) discussing with the external auditors any disclosed relationships or services that the external auditors believe may affect the objectivity and independence of the external auditors, and (c) recommending that the Board take appropriate action in response to the external auditors' report to satisfy itself of the external auditors' independence;

(f) monitor the rotation of partners on the audit engagement team in accordance with applicable law;

(g) as may be required by applicable securities laws, rules and guidelines, either:

(i) pre-approve all non-audit services to be provided by the external auditors to the Corporation or the Fund (or their respective subsidiaries, if any), or, in the case of *de minimus* non-audit services, approve such non-audit services prior to the completion of the audit; or

(ii) adopt specific policies and procedures for the engagement of the external auditors for the purpose of the provision of non-audit services; and

(h) review and approve the hiring policies of the Corporation and the Fund regarding partners, former partners, employees and former employees of the present and former external auditors of the Corporation and the Fund.

3. Internal Controls

The Committee shall:

(a) review with management and the external auditors, the adequacy and effectiveness of the internal control and management information systems and procedures of the Fund (with particular attention given to accounting, financial statements and financial reporting matters, and antifraud processes) and determine whether the Fund is in compliance with applicable legal and regulatory requirements and with the Fund's policies;

(b) review with management, on at least an annual basis, their approach to monitoring the performance of the internal controls over financial reporting in accordance with their CEO/CFO certification process, as required by applicable securities laws, rules and guidelines;

(c) review the appropriateness of the accounting practices and policies of the Fund and review any proposed changes thereto;

(d) review the external auditors' recommendations regarding any matters, including internal control and management information systems and procedures, and management's responses thereto;

(e) establish procedures for the receipt, retention and treatment of complaints, submissions and concerns, by employees or otherwise, regarding financial reporting and disclosure, accounting, internal accounting controls or auditing matters on an anonymous and confidential basis;

(f) review policies and practices concerning the expenses and perquisites of the Chairman and CEO, including the use of the assets of the Fund; and

(g) review with external auditors any corporate transactions in which directors or officers of the Corporation have a personal interest.

4. Financial and Derivative Risk Management

The Committee shall:

(a) review with management and the external auditors their assessment of significant financial risks and exposures;

(b) review and assess the steps that management has taken to mitigate such risks; and

(c) report the results of such reviews to the Board for the purpose of assisting the Board in identifying the principal business risks associated with the businesses of the Fund.

C. Committee and Procedures

1. Composition of Committee

The Committee shall consist of not less than three directors of the Corporation. Each Committee member shall satisfy the independence and financial literacy requirements of applicable securities laws, rules or guidelines and any other applicable regulatory rules. In particular, each member of the Committee shall have no direct or indirect material relationship with the Corporation or the Fund or any affiliate thereof which could reasonably be expected to interfere with the exercise of the member's independent judgment. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the full Board.

2. Appointment of Committee Members

Members of the Committee shall be appointed from time to time and shall hold office at the pleasure of the Board. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board. The Board shall fill any vacancy if the membership of the Committee is less than three directors.

3. Absence of Committee Chair

If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting.

4. Authority to Engage Experts

The Committee has the authority to communicate directly with internal and external auditors and to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set the compensation for any such counsel and advisors, such engagement to be at the Corporation's expense.

5. Meetings

The Committee shall meet at least four times per year and shall meet at such other times during each year as it deems appropriate. In addition, the Chair of the Committee may call a special meeting of the Committee at any time. The Committee shall meet with the external auditors on a regular basis in the absence of management and, if so requested by a member of the Committee, the external auditor shall attend every meeting of the Committee held during the term of office of the external auditor. The Chair of the Committee, the Chairman and CEO, or the Lead Director, any two members of the Committee or the external auditors may call a meeting of the Committee. The external auditors shall be provided with notice of every meeting of the Committee and, at the expense of the Corporation, shall be entitled to attend and be heard thereat. The Chair of the Committee shall hold *in camera* meetings of the Committee, without management present, at every Committee meeting.

6. Quorum

A majority of the members of the Committee shall constitute a quorum.

7. Procedure, Records and Reporting

Subject to any statute or the articles and by-laws of the Corporation, the Committee shall fix its own procedures at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board).

8. Delegation

The Committee may delegate from time to time to any person or committee of persons any of the Committee's responsibilities that lawfully may be delegated.

9. Review of Terms of Reference

The Committee shall review and reassess the adequacy of these mandates at least annually, and otherwise as it deems appropriate, and recommend changes to the Board. Such review shall include the evaluation of the performance of the Committee against criteria defined in the Committee and Board mandates.

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