



CARGOJET INCOME FUND
ANNUAL AND SPECIAL MEETING OF UNITHOLDERS
TO BE HELD ON MARCH 31, 2009

**CARGOJET INCOME FUND
NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS**

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of unitholders (the “**Unitholders**”) of Cargojet Income Fund (the “**Fund**”) will be held at the TSX Gallery, The Exchange Tower, 130 King Street West, Toronto, Ontario, on Tuesday, March 31, 2009 at 3:00 p.m. (Toronto time), for the following purposes:

- (a) to receive and consider the audited consolidated financial statements of the Fund for the fiscal period ended December 31, 2008 and the report of the auditors thereon;
- (b) to elect trustees of the Fund (the “**Trustees**”);
- (c) to direct and instruct the Trustees in respect of the election of trustees of Cargojet Operating Trust;
- (d) to direct and instruct the Trustees in respect of the election of directors of Cargojet GP Inc.;
- (e) to appoint the auditors of the Fund and to authorize the Trustees to fix their remuneration; and
- (f) to transact such other business as may properly come before the Meeting or any adjournments thereof.

This notice is accompanied by a form of proxy, a management information circular, the audited consolidated financial statements of the Fund and management’s discussion and analysis for the fiscal period ended December 31, 2008.

The Trustees have by resolution fixed the close of business on January 30, 2009 as the record date for the determination of Unitholders entitled to receive notice of and vote at the Meeting or any adjournments thereof.

Unitholders who are unable to attend the Meeting are requested to complete, date, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

The Trustees have by resolution fixed the close of business on the second business day preceding the day of the Meeting (excluding Saturdays, Sundays and holidays) or any adjournments thereof as the time before which proxies to be used or acted upon at the Meeting or any adjournments thereof shall be deposited with the Fund’s transfer agent.

DATED at Mississauga, Ontario this 27th day of February, 2009.

BY ORDER OF THE BOARD OF TRUSTEES

“John Webster”

Trustee

CARGOJET INCOME FUND
INFORMATION CIRCULAR

Solicitation of Proxies

This information circular is furnished in connection with the solicitation of proxies by the trustees (the "Trustees") of Cargojet Income Fund (the "Fund") for use at the annual meeting (the "Meeting") of holders of units and special voting units (the "Unitholders") of the Fund to be held at the time and place and for the purposes set forth in the accompanying notice of meeting. References in this information circular to the Meeting include any adjournments thereof.

It is expected that the solicitation of proxies will be primarily by mail; however proxies may also be solicited personally by agents of the Fund. Proxies may also be solicited personally or by telephone by Trustees of the Fund or by directors, officers or regular employees of the Fund and its subsidiaries without special compensation. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Fund.

The Trustees of the Fund have by resolution fixed the close of business on January 30, 2009 as the record date, being the date for the determination of the registered holders of securities entitled to receive notice of and vote at the Meeting. Duly completed and executed proxies must be received by the Fund's transfer agent at the address indicated on the enclosed envelope no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment of the Meeting.

Unless otherwise stated, the information contained in this management information circular is as of February 27, 2009.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are Trustees of the Fund. **A Unitholder desiring to appoint some other person, who need not be a Unitholder, to represent the Unitholder at the Meeting may do so by striking out the names of the persons designated therein and by inserting in the blank space provided for that purpose the name of the desired person, or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the registered office of the Fund's transfer agent indicated on the enclosed envelope no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment of the Meeting.**

A Unitholder delivering the enclosed proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Unitholder giving the proxy wishes to confer a discretionary authority with respect to any item of business then the space opposite the item is to be left blank. The units represented by the proxy submitted by a Unitholder will be voted in accordance with the directions, if any, given in the proxy.

A proxy given pursuant to this solicitation may be revoked by instrument in writing, including another proxy bearing a later date, executed by the Unitholder or by his or her attorney authorized in writing, and deposited at the registered office of the Fund's transfer agent at any time up to and including the last business day preceding the day of the Meeting or with the Chairman of the Meeting on the day of the Meeting or in any other manner permitted by law.

Exercise of Discretion by Proxies

The persons named in the enclosed form of proxy will vote the units in respect of which they are appointed in accordance with the direction of the Unitholders appointing them. **In the absence of such direction, such units will be voted in favour of the election of the Trustees and directors and the appointment of auditors referred to below and the passing of all of the resolutions described below. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting and with respect to other matters which may properly come before the Meeting.** At the time of printing of this information circular, neither the Trustees of the Fund nor the directors or officers of the subsidiaries of the Fund are aware of any such amendments, variations or other matters to come before the Meeting.

However, if any other matters which are not now known to the Trustees of the Fund or the directors or officers of the subsidiaries of the Fund should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

Interest of Certain Persons or Companies in Matters to be Acted Upon

To the knowledge of the Trustees of the Fund, the trustees of Cargojet Operating Trust (the “**Operating Trust**”) and the directors and officers of the subsidiaries of the Fund, except as set out herein and except insofar as they may be Unitholders of the Fund, no Trustee of the Fund, trustee of the Operating Trust, director or officer of the subsidiaries of the Fund, or any proposed nominee for election as a Trustee of the Fund, trustee of the Operating Trust or director of Cargojet GP Inc. (the “**GP**”), or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting.

Voting Securities and Principal Holders of Voting Securities

The beneficial interests in the Fund are divided into two classes, designated as units (the “**Units**”) and special voting units (the “**Special Voting Units**”). Each Unit represents an equal undivided beneficial interest in any distribution from the Fund and in any assets of the Fund remaining in the event of termination or winding up of the Fund. The Special Voting Units were issued to the holders of class B limited partnership units (“**Exchangeable LP Units**”) of Cargojet Holdings Limited Partnership (the “**Partnership**”) at a rate of one Special Voting Unit for each unit of the Fund into which the Exchangeable LP Units are exchangeable. Each Unit and Special Voting Unit entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. Units and Special Voting Units are collectively referred to herein as the “**Voting Units**”.

As at February 27, 2009, the following voting securities in the capital of the Fund were issued and outstanding:

Units	6,669,939
Special Voting Units	2,232,955

The Trustees have fixed the record date of January 30, 2009 for the purpose of determining Unitholders entitled to receive notice of and vote at the Meeting. Only persons registered as Unitholders on the books of the Fund as of the close of business on the record date are entitled to receive notice of and vote at the Meeting. The failure of any Unitholder to receive notice of the Meeting does not deprive the Unitholder of the right to vote at the Meeting.

To the knowledge of the Trustees, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Fund carrying more than 10% of the voting rights attached to any class of voting securities of the Fund other than:

Name	Voting Units Owned on a Non-Diluted Basis #/%⁽¹⁾	Voting Units Owned on a Fully Diluted Basis #/%⁽¹⁾
The Virmani Family Trust	1,808,693 / 27.1%	1,808,693 / 16.2%
MFC Global Management (Canada), a division of Elliott & Page Limited	1,017,500 / 15.3%	1,017,500 / 9.1%
Fairholme Capital Management, LLC	814,000 / 12.2%	814,000 / 7.3%

Note:

⁽¹⁾ The information as to Voting Units beneficially owned or over which control or direction is exercised, not being within the knowledge of the Fund, has been furnished by the Unitholders listed above.

Normal Course Issuer Bid

On November 21, 2008, the Fund announced its intention to make a normal course issuer bid (the “**Bid**”) to repurchase for cancellation up to 10% per cent of the public float of 5,994,020 Units issued and outstanding as at November 19, 2008. The Bid began on November 25, 2008, and will end on or before

November 24, 2009. The Bid has been authorized by the Trustees of the Fund to allow the Fund to purchase Units if, in the opinion of its management, the market price of the Units is undervalued at any time throughout the duration of the Bid. As at the date hereof, a total of 28,924 Units have been repurchased at market prices, and cancelled, for an aggregate price of \$82,292.50. A copy of the Fund's Notice of Intention to Make a Normal Course Issuer Bid may be obtained on request from the Chief Financial Officer of 350 Britannia Road East, Units 5 and 6, Mississauga, Ontario, L4Z 1X9, telephone 905 501-7373, fax 905 501-8228 or on SEDAR at www.sedar.com.

Executive Compensation

Compensation Discussion and Analysis

The Fund's executive compensation program is composed of base salaries, short-term incentives in the form of cash bonus opportunities and perquisites and long-term incentives in the form of participation in the Partnership's Long Term Incentive Plan ("LTIP"). The various components of the Fund's executive compensation program are designed to play a role in:

1. Providing a fair and competitive level of compensation;
2. Retaining and motivating its executives who are critical to the Fund's long-term success;
3. Rewarding performance, both on an individual basis and with respect to the business in general; and
4. Reinforcing the link between the Unitholders' interest and the compensation of the Fund's executives.

In order to achieve these objectives, the compensation paid to executive officers consists of the following three components; (a) base salary; (b) short-term incentive in the form of short-term incentive plan ("STIP") participation; and (c) long-term incentive in the form of LTIP participation.

Base Salary

Individual executive salaries are normally set with a view towards similar companies and with the intention of attracting and retaining individuals with the appropriate skill sets.

The Compensation and Nominating Committee believes that it is appropriate to establish compensation levels based in large part on benchmarking against similar companies, both in terms of compensation practices as well as levels of compensation. In this way, the Fund can gauge if its compensation is competitive in the marketplace for its talent, as well as ensure that the Fund's compensation is reasonable.

Accordingly, the Compensation and Nominating Committee reviews compensation levels for the named executive officers against compensation levels of the comparison companies.

Short-Term Incentive Plan

Pay for performance is an important underlying principle of the Fund's executive compensation philosophy, with the result that variable compensation can represent a substantial proportion of total compensation. The Fund administers the STIP, which is based on the Fund meeting certain distributable cash targets. Participation in the STIP allows the Named Executive Officer to earn a bonus from 25% to 75% of his salary upon the Fund meeting certain distributable cash targets ranging from \$12.0 million to \$15.0 million for the financial period ended December 31, 2008. These distributable cash targets range from \$10 million to \$12.5 million for the financial year ended December 31, 2009 as approved by the Compensation and Nominating Committee. Such short-term incentives, if applicable, are paid shortly following the year in which they are earned. No STIP awards were paid to Named Executive Officers in the financial period ended December 31, 2008.

Long-Term Incentive Plan

The officers and key employees of the Fund and its subsidiaries are eligible to participate in the LTIP. The purpose of the LTIP is to provide eligible participants with compensation opportunities that will enhance the Partnership's ability to attract, retain and motivate key personnel and reward officers and key employees for significant performance that results in the Partnership exceeding its per unit distributable cash targets. Pursuant to the LTIP, the Partnership may set aside a pool of funds based upon the amount, if any, by which the Fund's distributable cash per unit (as measured on a fully diluted basis, assuming the exchange of all of the Exchangeable LP Units), exceed certain defined distributable cash targets. The Partnership or a trustee will purchase Units in the market with this pool of funds and will hold the Units until such time as ownership vests to each participant.

The Compensation and Nominating Committee of the board of directors of the GP is responsible for administering and making recommendations concerning the operation of the LTIP and any employee bonus plans. The board of directors of the GP has the power to, among other things: (i) determine those individuals who will participate in the LTIP; (ii) determine the level of participation of each participant; and (iii) determine the time or times when LTIP awards will vest or be paid to each participant.

Initially, the LTIP will provide for awards that may be earned based on the amount by which distributable cash per annum per unit (as measured on a fully diluted basis, assuming the exchange of all of the Exchangeable LP Units) exceeds a base threshold per unit per annum. The percentage amount of that excess which forms the LTIP incentive pool will be determined in accordance with the table below:

Percentage by which distributable cash per unit exceeds the base threshold ⁽¹⁾	Maximum proportion of distributable cash available for LTIP payments
5% or less.....	10% of any excess over the base threshold
over 5% to 10%.....	15% of any excess over 5% to 10%
greater than 10%	20% of any excess over 10%

Note:

⁽¹⁾ Annualized for fiscal periods of less than 12 months.

The base threshold will be subject to adjustment by the board of Trustees of the Fund.

Compensation Matters and LTIP Awards in Most Recently Completed Year

Each of Ajay Virmani, Dan Mills and Jamie Porteous entered into an employment agreement on June 9, 2005 for an indefinite term; to reflect employment terms that became effective in June 2004. Initially, Mr. Virmani was paid an annual salary of \$325,000 and Mr. Mills and Mr. Porteous were each paid an annual salary of \$250,000, pursuant to their respective employment agreements. Effective March 1, 2008, the base salaries for each of Mr. Virmani, Mr. Mills and Mr. Porteous were increased to \$450,000, \$350,000 and \$350,000, respectively. Effective October 1, 2008, the base salaries for each of Ajay Virmani, Dan Mills and Jamie Porteous were reduced to \$315,000, \$280,000 and \$280,000, respectively. Reductions in compensation will remain until such time as the operating performance of the Fund is satisfactory and will be reviewed on a quarterly basis. All compensation adjustments were recommended and approved by the Compensation and Nominating Committee to bring Mr. Virmani's, Mr. Mills' and Mr. Porteous' respective salaries more in line with executive salaries paid by comparable businesses and in recognition of the Fund's overall performance. Each of these employment agreements provides for various perquisites, including a car allowance and home office allowance, health and other benefits, which in aggregate amount to \$80,800 annually for Mr. Virmani, \$66,289 for Mr. Mills and \$68,327 annually for Mr. Porteous. In addition, participation in the STIP allows the Named Executive Officer to earn a bonus from 25% to 75% of his salary upon the Fund meeting certain distributable cash targets ranging from \$12.0 million to \$15.0 million for the financial year ended December 31, 2008. These distributable cash targets range from \$10.0 million to \$12.5 million for the financial year ended December 31, 2009 as approved by the Compensation and Nominating Committee. The Named Executive Officer is also entitled to participate in the LTIP.

No LTIP awards were paid to Named Executive Officers in the financial period ended December 31, 2008.

There are no pension plan benefits in place for the Named Executive Officers.

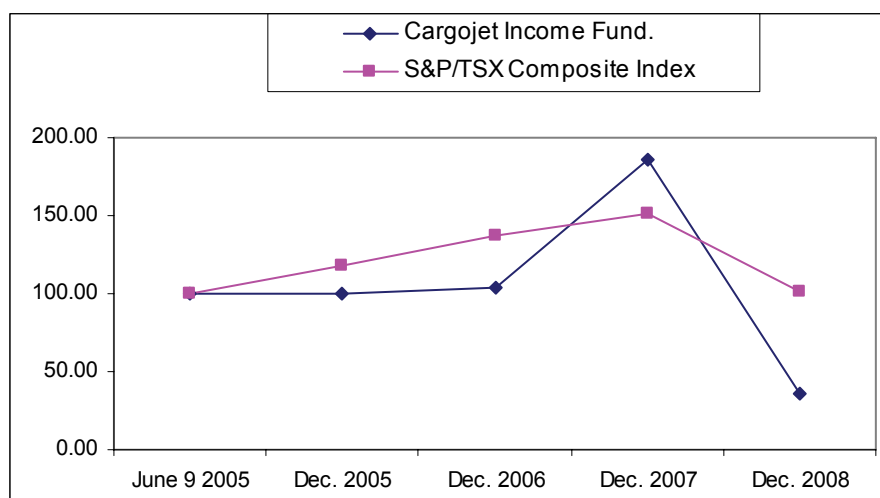
Compensation of the Chief Executive Officer and Senior Executive Officers

The three main components of the compensation of the Chief Executive Officer are base salary, STIP and a long-term incentive based on participation in the LTIP. Competitive benefits and perquisites are also provided.

The components of the Chief Executive Officer's compensation are the same as those which apply to the other senior executive officers of the Fund and its subsidiaries, namely base salary, STIP and long-term incentives. These components are set forth in the employment agreement of Ajay Virmani and provide for a minimum base salary of Cdn\$315,000 per year (see "Termination and Change of Control Benefits" below for further details). The Chairman of the Compensation and Nominating Committee presents recommendations to the board of directors of the GP (the "**GP Board**") with respect to the Chief Executive Officer's compensation. In setting the Chief Executive Officer's salary and bonus, the Compensation and Nominating Committee reviews salaries and bonuses paid to other senior officers of the Fund, salaries and bonuses paid to other chief executive officers in the industry and the Chief Executive Officer's impact on the achievement of the Fund's objectives for the previous financial year, including the amount of distributions paid throughout the year.

Performance Graph

The following graph compares the yearly percentage change in the cumulative total unitholder return for \$100 invested in Units on June 9, 2005 against the cumulative total shareholder return of the S&P/TSX Composite Index for the five most recently completed financial years of the Fund, assuming the reinvestment of all distributions.



	June 9 2005	Dec. 2005	Dec. 2006	Dec. 2007	Dec. 2008
Cargojet Income Fund	100.00	99.81	103.38	186.13	35.45
S&P/TSX Composite Index	100.00	117.37	137.63	151.16	101.27

During the period from 2005 to 2008, the Fund's cumulative total Unitholder return decreased by 64.55% compared to the S&P/TSX Index increase of 1.27%. During this same period, the annual base salaries of the Named Executive Officers increased on average by 29.5%. The Compensation and Nominating Committee reviewed changes in compensation levels in March of 2008 at which time base compensation for the Named Executive Officers were increased on average 33.2% from the base year of 2005. Unitholder return at the time was approximately 69% higher than the base year of 2005. The Board of Directors and the Compensation and Nominating Committee considers the subsequent decrease in the market price of the Funds units in 2008 to be a result of general market volatility and not reflective of the Fund's underlying financial strength. The Board of Directors and the Compensation and Nominating

Committee determined that effective October 2008 the Named Executive Officers should decrease their base compensation until such time as market conditions improve or the Fund's operating performance is satisfactory. The Compensation and Nominating Committee has approved the engagement of an independent third party review of all compensation arrangements of the Named Executive Officers and other senior management, which will include benchmarking, and suggestion of alternatives to annual and long-term incentive design. This engagement is to be completed prior to the end of the second quarter of 2009. The Compensation and Nominating Committee's objectives are to ensure the compensation plans are competitive and reward superior performance.

Summary Compensation Table

Under applicable securities legislation, the Fund is required to disclose certain financial and other information relating to the compensation of its Chief Executive Officer, Chief Financial Officer, and the Fund's three most highly compensated executive officers (other than the Chief Executive Officer and Chief Financial Officer) whose total salary and bonus exceeds \$150,000. The Fund, however, does not carry on an active business. Rather, the operations of the Fund are conducted through Cargojet Partnership (the "**Operating Partnership**"). As described in more detail below, the executive officers are compensated through the Operating Partnership for acting in such capacities.

The following table provides information for the financial year ended December 31, 2008, regarding compensation paid to or earned by the Chief Executive Officer, the Chief Financial Officer and the three most highly compensated executive officers (other than the Chief Executive Officer and Chief Financial Officer) whose total salary and bonus exceeds \$150,000 as at December 31, 2008 (the "**Named Executive Officers**").

Name and Principal Position	Salary (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total compensation (\$)
		Annual incentive Plans	Long-term incentive Plans			
Ajay Virmani President and Chief Executive Officer of the GP	445,000	Nil	Nil	Nil	80,800	525,800
Dan Mills Executive Vice President and Chief Financial Officer of the GP ⁽¹⁾	318,846	Nil	Nil	Nil	67,289	385,135
Wade Morrell Former Chief Financial Officer of the GP ⁽¹⁾	71,462	Nil	Nil	Nil	257	71,719
Alan Pidgeon Senior Vice President of Cargojet Airways Ltd.	159,135	Nil	Nil	\$826	21,602	180,737
Jamie Porteous Executive Vice President of the GP	344,231	Nil	Nil	Nil	68,327	412,558
George Sugar Senior Vice President of Cargojet Airways Ltd.	169,154	Nil	Nil	\$3,944	12,810	181,964

Note:

⁽¹⁾ Effective March 14, 2008, Mr. Mills was reappointed as Chief Financial Officer following the resignation of Mr. Morrell as Chief Financial Officer.

Incentive Plan Awards

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for the financial year ended December 31, 2008.

Incentive plan awards – value vested or earned during the year

Name	Non-equity incentive plan compensation – Value earned during the year (\$)
Ajay Virmani ⁽¹⁾	Nil
Dan Mills ⁽²⁾⁽³⁾	Nil
Wade Morrell ⁽³⁾	Nil
Alan Pidgeon	Nil
Jamie Porteous	Nil
George Sugar	Nil
John Webster	Nil
Terence Francis	Nil
Jonathan Carroll ⁽⁴⁾	Nil

Note:

⁽¹⁾ No incentive plan awards were granted to Mr. Virmani in either his capacity as President and Chief Executive Officer, or in his capacity as director of the GP.

⁽²⁾ No incentive plan awards were granted to Mr. Mills in either his capacity as Executive Vice President and Chief Financial Officer, or in his capacity as director of the GP.

⁽³⁾ Effective March 14, 2008, Mr. Mills was reappointed as Chief Financial Officer following the resignation of Mr. Morrell as Chief Financial Officer.

⁽⁴⁾ On February 27, 2009, Mr. Carroll provided his written resignation as a Trustee of the Fund, as a trustee of the Operating Trust and as a director of the GP.

Pension Plan Benefits

The Fund implemented a Deferred Profit Sharing Plan (“**DPSP**”) effective January 1, 2008, which is available to all permanent full-time and part-time employees. The Fund matches employee contributions made in the year to the employee’s Group Registered Retirement Plan (“**RRSP**”), to a maximum of 3% of base salary. DPSP contributions become vested upon the completion of 2 years of Plan membership. There are no Defined Contribution Benefit Plans.

Termination and Change of Control Benefits

Either of Ajay Virmani, Dan Mills or Jamie Porteous may resign by providing not less than six months written notice, which notice may be given no earlier than 18 months following the effective date of the employment agreements, with certain exceptions. Each employment agreement provides that if the Named Executive Officer is terminated without cause, he is entitled to a lump sum severance payment equal to his employment income for income tax purposes in the previous calendar year (less any required deductions), with monthly increases to the calendar year period, up to a maximum amount of 18 months, after the completion of twelve years of continuous employment. The Named Executive Officer will continue to receive benefits, with certain exceptions, for one year following such termination without cause. The Named Executive Officer will receive a similar lump sum severance payment and benefits if within one year after a “Change of Control” (as defined therein) he is terminated without cause or resigns for “Good Reason” (as defined therein). In the event that the Named Executive Officer is terminated for cause, he is entitled to receive his compensation (including unused vacation pay) to the date of notice of termination.

Additionally, pursuant to each of these employment agreements, the Named Executive Officer is bound by a non-competition provision during the period of his employment and for a period of two years after the termination of his employment for cause or voluntarily by the Named Executive Officer, or for a period of one year after the termination of his employment without cause, with certain exceptions. Additionally, each employment agreement includes a non-solicitation provision during the term of employment of the Named Executive Officer and for a period of two years following the termination of his employment, with or without cause.

Estimated Incremental Payment on Change of Control or Termination

The following table provides details regarding the estimated incremental payments from the Fund to each of the Named Executive Officers on a change of control or on termination without cause, assuming a

triggering event occurred on December 31, 2008.

Name	Severance Period (# of months)	Base Salary (\$)	Bonus Target Value (\$)	Benefits Uplift (\$)	Total Incremental Payment (\$)
Ajay Virmani	12	445,000	Nil	90,800	455,000
Dan Mills ⁽¹⁾	12	318,846	Nil	76,289	328,846
Wade Morrell ⁽¹⁾	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Alan Pidgeon	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Jamie Porteous	12	344,231	Not applicable	78,327	354,231
George Sugar	Not applicable	Not applicable	Not applicable	Not applicable	168,154
Totals		1,108,077	Nil	245,416	1,353,493

Note:

⁽¹⁾ Effective March 14, 2008, Mr. Mills was reappointed as Chief Financial Officer following the resignation of Mr. Morrell as Chief Financial Officer.

Benefits uplift includes all "other compensation" plus an estimate related to the existing medical plan for a 12 month period.

Trustee and Director Compensation

For the year ended December 31, 2008, compensation for directors of the GP was \$30,000 per director per year, \$1,200 per director per meeting for attending board meetings of the GP Board and \$1,000 per director per meeting for attending committee meetings of the GP. The lead director of the GP Board and the chairman of each of the Audit Committee, Compensation and Nominating Committee and Corporate Governance Committee received additional remuneration of \$5,000, respectively, per year. The Fund or the Partnership also reimbursed trustees and directors for out-of-pocket expenses for attending meetings. No director compensation is paid to directors who are members of management of the Fund or its subsidiaries and no director receives compensation for acting as a trustee (other than for fees for attending board or committee meetings of the Fund that do not run concurrently with meetings of the GP Board).

None of the directors or Trustees were compensated in their capacity as director or Trustee by the Fund or any of its subsidiaries, as applicable during the financial year ended December 31, 2008 pursuant to any other arrangement or in lieu of any standard compensation arrangement.

The following table provides information regarding compensation paid to the Trustees of the Fund and directors of the GP for acting in such capacity during the financial year ended December 31, 2008.

Trustee and Director compensation table

Name	Fees earned (\$)	Non-equity incentive plan compensation (\$)	All other compensation (\$)	Total (\$)
John Webster	43,180	Nil	Nil	43,180
Terence Francis	40,630	Nil	Nil	40,630
Jonathan Carroll ⁽¹⁾	40,630	Nil	Nil	40,630
Ajay Virmani	Nil	Nil	Nil	Nil
Dan Mills	Nil	Nil	Nil	Nil

⁽¹⁾ On February 27, 2009, Mr. Carroll provided his written resignation as a Trustee of the Fund, as a trustee of the Operating Trust and as a director of the GP.

Incentive plan awards – value vested or earned during the year

See “Incentive plan awards – value vested or earned during the year”, at page 7 above.

Indebtedness of Trustees, Directors, Executive Officers and Employees

As at February 27, 2009, no current or former Trustee, director or executive officer or employee of the Fund or any of its subsidiaries, as applicable, is indebted to the Fund or any of its subsidiaries, nor has the indebtedness of any of them to another entity been the subject of a guarantee, support agreement, letter of credit or similar arrangement or undertaking provided by the Fund or any of its subsidiaries.

Liability Insurance

The Fund provides insurance for the benefit of the Trustees and directors and officers of the Fund's subsidiaries against liability incurred by them in such capacities. The current annual policy limit is \$15.0 million, with Side A excess liability coverage of \$5.0 million, and contains a deductible of \$250,000. For the policy year of May 17, 2008 to May 17, 2009, the Fund paid an annual premium of \$78,000 for this insurance. Under the policy, each entity has reimbursement coverage to the extent that it has indemnified the Trustees or the directors and officers of such entity.

Interests of Informed Persons in Material Transactions

In October 2008 the Fund entered into an agreement with Flagship Aviation Holdings Ltd. (“**Flagship Aviation**”) to purchase a warehouse and office building at the Hamilton International Airport for approximately \$1.0 million plus applicable taxes. Flagship Aviation is controlled by Ajay Virmani. No other informed person of the Fund, nor any other proposed nominee for election as a Trustee of the Fund, trustee of the Operating Trust or director of the GP, nor any other associate or affiliate of such persons, has had any material interest, direct or indirect, in any transaction or any proposed transaction since the commencement of the Fund's last financial year or in any proposed transaction, which has materially affected or would materially affect the Fund or any of its subsidiaries.

Composition of the Compensation and Nominating Committee

The Compensation and Nominating Committee of the GP assists the GP Board by making recommendations to the GP Board concerning the appointment, hiring, compensation, benefits and termination of senior officers and all other significant employees of the Fund and its subsidiaries. The Compensation and Nominating Committee reviews on an annual basis the Chief Executive Officer's goals and objectives for the upcoming year and provides an appraisal of the Chief Executive Officer's performance. The committee also administers and makes recommendations regarding the operation of the LTIP and advises the GP Board in filling vacancies on the GP Board and periodically reviewing the composition and effectiveness of the GP Board and the contributions of individual directors.

The Compensation and Nominating Committee of the GP is comprised of Terence Francis, Paul Godfrey and John Webster, all of whom are “unrelated” within the meaning of National Instrument 58-101 – Disclosure of Corporate Governance Practices (the “**Governance Disclosure Rule**”).

Statement of Corporate Governance Practices

Corporate Governance

In June 2005, National Policy 58-201 *Corporate Governance Guidelines* (the “**Governance Guidelines**”) and the Governance Disclosure Rule were adopted by the securities regulatory authorities in Canada. The Governance Guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance practices. The Governance Disclosure Rule requires that, if management of an issuer solicits proxies from its security holders for the purpose of electing directors, specified disclosure of its corporate governance practices must be included in its management information circular.

The Fund and the Trustees of the Fund (the “**Board**”) recognize the importance of corporate governance to the effective management of the Fund and to the protection of its employees and Unitholders. The Fund’s approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Fund are effectively managed so as to enhance Unitholder value. The Board fulfills its mandate directly and through its committees and the committees of the GP Board at regularly scheduled meetings or as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Fund’s affairs and in light of opportunities or risks, which the Fund faces. The Trustees and directors of the GP are kept informed of the Fund’s operations at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

The Fund’s corporate governance practices have been and continue to be in compliance with applicable Canadian requirements. The Fund continues to monitor developments in Canada with a view to further revising its governance policies and practices, as appropriate.

The following is a description of the Fund’s corporate governance practices, which has been prepared by the Corporate Governance Committee of the GP Board and has been approved by the Board.

The Board and the GP Board

Each of Terence Francis, Paul Godfrey and John Webster being all of the Trustees that comprise the Board are independent within the meaning of the Governance Guidelines and hold regularly scheduled meetings to review the business operations, governance and financial results of the Fund without the presence of management. The Board’s chairman is responsible for the leadership of the Board and for specific functions to ensure the independence of the Board.

The GP Board is comprised of each of the Trustees and two additional directors, Ajay Virmani, the President and Chief Executive Officer of the GP and Dan Mills, the Executive Vice President and Chief Financial Officer of the GP. Ajay Virmani is the chairman of the GP Board and John Webster is its lead director. The Lead Director works closely with and in an advisory capacity to the Chairman of the Board. His primary focus is to be satisfied that the Board is organized properly, functions effectively and operates independently of management.

To facilitate the functioning of the Board independently of management, the following structures and processes are in place:

- a non-executive lead director of the GP Board has been appointed;
- a majority of the GP Board members are non-management members;
- independent committees are appointed from time to time, when appropriate.

Position Descriptions

Written position descriptions have been developed by the Board for the Chairman of the Board, the Chairman of the Audit Committee, the Chairman of each committee of the GP Board and the Chief Executive Officer of the GP.

The roles and responsibilities of the Chief Executive Officer are set out in the position description and employment agreement of Ajay Virmani, which is reviewed and approved by the Board with the assistance of the Compensation and Nominating Committee. See “Compensation Matters and LTIP Awards in Most Recently Completed Year”, above.

Meetings of the Board and GP Board

From January 1, 2008 to December 31, 2008, the Board held 5 meetings at which all Trustees were in attendance. The GP Board held 5 meetings at which all directors were in attendance.

Other Public Company Directorships/Committee Appointments

The following table provides details regarding directorships held by the Trustees and the directors of the GP in other reporting issuers.

Trustee	Other Reporting Issuer Directorships	Other Reporting Issuer Committee Appointments
Jonathan Carroll ⁽¹⁾	Travelzest plc (AIM)	None
Terence Francis	None	None
Paul Godfrey ⁽²⁾	RioCan Real Estate Investment Trust Astral Media Inc.	None
John Webster	Dundee Wealth Inc. (TSX)	Compensation Committee
Ajay Virmani	None	None
Dan Mills	None	None

⁽¹⁾ On February 27, 2009, Mr. Carroll provided his written resignation as a Trustee of the Fund, as a trustee of the Operating Trust and as a director of the GP.

⁽²⁾ On February 27, 2009, Mr. Godfrey was appointed as a Trustee of the Fund, as a trustee of the Operating Trust and as a director of the GP.

Board Mandate

The Board is responsible for fostering the short and long-term success of the Fund and is accountable to the Unitholders. The Board discharges its responsibilities directly and through the Audit Committee of the Fund and the committees of the GP Board currently consisting of the Compensation and Nominating Committee and the Corporate Governance Committee.

A copy of the Charter of the Board setting out the Board's mandate, responsibilities and the duties of its members is attached as Schedule "A" to this management information circular.

Orientation and Continuing Education

The Board is responsible for ensuring that new Trustees are provided with an orientation and education program which will include written information about the duties and obligations of the Trustee, the business and operations of the Fund, documents from recent Board meetings, and opportunities for meetings and discussion with senior management and other Trustees.

The Compensation and Nominating Committee, in conjunction with the Chairman of the Board, is responsible for ensuring that new directors of the GP Board are provided with an orientation and education program which will include written information about the duties and obligations of directors, the business and operations of the Fund, documents from recent GP Board meetings, and opportunities for meetings and discussion with senior management and other directors.

The Board recognizes the importance of ongoing trustee and director education and the need for each trustee and director to take personal responsibility for this process. To facilitate ongoing education of the Trustees and directors, the Board and the GP Board, through consultation with their committees will: (a) periodically canvas the Trustees and directors to determine their training and education needs and interests; (b) arrange ongoing visitation by the Trustees and directors to the Fund's facilities and operations; (c) arrange the funding for the attendance of the Trustees and directors at seminars or conferences of interest and relevance to their position as a Trustee and/or director; and (d) encourage and facilitate presentations by outside experts to the Board or its committees on matters of particular importance or emerging significance.

Code of Ethics

The Board has adopted a Code of Ethics (the “**Code**”) for the Trustees, directors, officers and employees of the Fund and its subsidiaries and affiliates. Cargojet’s Manager, Human Resources has responsibility for monitoring compliance with the Code by ensuring all Trustees, directors, officers and employees receive and become thoroughly familiar with the Code and acknowledge their support and understanding of the Code. Any non-compliance with the Code is to be reported to Cargojet’s Manager, Human Resources. The Trustees monitor compliance of the Code by obtaining reports from Cargojet’s Manager, Human Resources as to any matters reported under the Code. A copy of the Code is available on SEDAR at www.sedar.com.

The Board takes steps to ensure that Trustees, directors, officers and employees exercise independent judgment in considering transactions and agreements in respect of which a Trustee, director, officer or employee of the Fund has a material interest, which include ensuring that Trustees, directors, officers and employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from their supervisor or the Chief Executive Officer of the GP regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to Trustees, directors, officers and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

Nomination of Trustees

The Board, with the assistance of the Compensation and Nominating Committee, which is composed entirely of independent directors, is responsible for identifying and recruiting new candidates for nomination to the Board. The process by which the Board identifies new candidates is through recommendations of the Compensation and Nominating Committee taking into account the following considerations: (a) the competencies and skills the Board, as a whole, should possess; (b) the competencies and skills that each existing Trustee possesses; (c) the competencies and skills each new nominee will bring to the Board; and (d) whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member.

The Board’s responsibilities, in consultation with the committees of the GP Board, include periodically reviewing the charters of the Board and Audit Committee and the Compensation and Nominating Committee and Corporate Governance Committee of the GP Board; assisting the chairman of the Board in carrying out his responsibilities; considering and, if thought fit, approving requests from Trustees for the engagement of independent counsel in appropriate circumstances; preparing a set of corporate governance guidelines, the Code and annually a “Statement of Corporate Governance Practices” to be included in the Fund’s management information circular; and annually reviewing the Board’s relationship with management to ensure the Board is able to, and in fact does, function independently of management.

Compensation

The Board, with the assistance of the Compensation and Nominating Committee, which is composed entirely of independent directors, determines appropriate compensation for the Trustees and directors. The process by which appropriate compensation is determined is through periodic and annual reports from the Compensation and Nominating Committee on the Fund’s overall compensation and benefits philosophies with such compensation realistically reflecting the responsibilities and risks of such positions.

The Compensation and Nominating Committee’s responsibilities also include reviewing and making recommendations to the GP Board regarding any equity or other compensation plan and regarding the total compensation package of the Chief Executive Officer and other executive officers of the Fund, considering and approving the recommendations of the Chief Executive Officer regarding the total compensation and benefits philosophies and programs for senior management and employees and preparing and

recommending to the Board annually a “Report on Executive Compensation” to be incorporated in the Fund’s management information circular.

Audit Committee

Information regarding the Fund’s Audit Committee is contained in the Fund’s annual information form (the “AIF”) dated March 14, 2008 under the heading “Audit Committee”. The AIF is available on SEDAR at www.sedar.com.

Board Assessments

The current practice of the Board is for the Board to make ongoing, informal assessments of the performance of the Board, its committees, the committees of the GP and individual Trustees and directors of the GP.

Particulars of Matters to be Acted Upon

Election of Trustees

The declaration of trust of the Fund, as amended, (the “**Declaration of Trust**”) provides that there will be a minimum of three Trustees and a maximum of ten Trustees with the number of Trustees within that range being fixed by resolution of the Trustees. There are currently three Trustees.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote in favour of the election, as Trustees, of the nominees whose names are set forth below. All of the nominees are currently Trustees of the Fund. Each Trustee will hold office for a term expiring at the close of the next annual meeting of Unitholders, unless his office is vacated earlier due to death, removal, and resignation or ceasing to be duly qualified. The Trustees do not contemplate that any of the nominees will be unable to serve as a Trustee, but should that circumstance arise for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion.

The following table and the notes thereto set forth the names of the persons proposed to be nominated for election as Trustees, their principal occupations or employments, the periods during which they have served as Trustees of the Fund and the approximate number of Voting Units beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them.

Name and Province/Country of Residence⁽⁷⁾⁽⁸⁾	Position with the Fund	Principal Occupation⁽¹⁾	No. of Voting Units Beneficially Owned, Controlled or Directed⁽²⁾	Trustee Since
Paul V. Godfrey Ontario, Canada ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁹⁾	Trustee	President and Chief Executive Officer of the National Post since January 2009. President and Chief Executive Officer of the Toronto Blue Jays Baseball Club from 2000 to 2008.	Nil	February 2009
Terence M. Francis ⁽³⁾⁽⁴⁾⁽⁵⁾ British Columbia, Canada	Trustee	Principal of T. & T.G. Consulting (SA) Ltd.	3,493	2005
John P. Webster ⁽³⁾⁽⁵⁾⁽⁶⁾ Ontario, Canada	Trustee	President and Chief Executive Officer of Maple Trust Company	4,000	2005

Notes:

- (1) Each of the foregoing individuals has been principally engaged in the occupation set out opposite his name for the preceding five years.
- (2) The information as to Voting Units beneficially owned or over which control or direction is exercised, not being within the knowledge of the Fund, has been furnished by the proposed nominees.
- (3) Member of the Audit Committee. Mr. Webster is Chairman of the Audit Committee.
- (4) Member of the Corporate Governance Committee. Mr. Francis is Chairman of the Corporate Governance Committee.

- (5) Member of the Compensation and Nominating Committee. Mr. Francis is currently acting Chairman of the Compensation and Nominating Committee.
- (6) Mr. Webster is Lead Director of the GP.
- (7) No proposed Trustee is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity (i) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director, chief executive officer or chief financial officer, in the Fund being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.
- (8) No proposed Trustee has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.
- (9) Mr. Godfrey was appointed as a Trustee of the Fund, as a trustee of the Operating Trust and as a director of the GP on February 27, 2009 following receipt of the written resignation of Jonathan Carroll as a Trustee of the Fund, as a trustee of the Operating Trust and as a director of the GP.

Nomination for Election to the Board of Trustees of Cargojet Operating Trust

The declaration of trust (the “**Trust Declaration of Trust**”) of the Operating Trust provides that there will be a minimum of three and a maximum of ten trustees of the Operating Trust, with the number of trustees within that range being fixed by resolution of the trustees of the Operating Trust. There are currently three trustees of the Operating Trust. Pursuant to the Declaration of Trust and the Trust Declaration of Trust, Unitholders are indirectly entitled to elect the trustees of the Operating Trust by passing resolutions binding the Trustees with respect to the exercise of voting rights attaching to the securities of the Operating Trust. The nominees for election to the board of trustees of the Operating Trust will be the same individuals as the Trustees of the Fund set out in the chart above. Each trustee of the Operating Trust elected will hold office until the close of business of the first annual meeting of unitholders of the Operating Trust following his election unless his office is earlier vacated. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote for directing the Trustees of the Fund to vote the securities of the Operating Trust so as to elect such nominees as trustees of the Operating Trust.

Nomination for Election to the Board of Directors of the GP

The constating documents of the GP provide that there will be a minimum of one and a maximum of ten directors of the GP. There are currently five directors of the GP. As the GP is to be comprised of five directors, pursuant to a securityholders’ agreement the Virmani Family Trust, the Mills Family Trust and the Porteous Family Trust are collectively entitled to nominate two directors and the Operating Trust is required to vote its shares in the GP in favour of such individuals.

Pursuant to the Declaration of Trust and the Trust Declaration of Trust, Unitholders are indirectly entitled to elect the GP Board by passing resolutions binding the Trustees (in their capacities as Trustees of the Fund and the trustees of the Operating Trust) with respect to the exercise of voting rights attaching to the securities of the GP. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote in favour of directing the Trustees of the Fund to elect the nominees whose names are set forth below as directors of the GP. Each director will hold office for a term expiring at the close of the next annual meeting of shareholders of the GP, unless his office is vacated earlier due to death, removal, resignation or ceasing to be duly qualified. The Trustees do not contemplate that any of the nominees will be unable to serve as a director, but should that circumstance arise for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion.

The following table and the notes thereto set forth the names of the persons proposed to be nominated for election as directors of the GP, their principal occupations or employments, the periods during which they have served as directors of the GP and the approximate number of Voting Units beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them.

Name and Province/Country of Residence ⁽⁶⁾⁽⁷⁾	Position with the GP	Principal Occupation ⁽¹⁾	No. of Voting Units Beneficially Owned, Controlled or Directed ⁽²⁾	Director Since
Paul V. Godfrey Ontario, Canada ⁽³⁾⁽⁴⁾⁽⁵⁾⁽¹¹⁾	Director	President and Chief Executive Officer of the National Post since January 2009. President and Chief Executive Officer of the Toronto Blue Jays Baseball Club from 2000 to 2008.	Nil	February 2009
Terence M. Francis ⁽³⁾⁽⁴⁾⁽⁵⁾ British Columbia, Canada	Director	Principal of T.&T.G. Consulting (SA) Ltd.	3,493	2005
John P. Webster ⁽³⁾⁽⁵⁾⁽⁸⁾ Ontario, Canada	Director	President and Chief Executive Officer of Maple Trust Company	4,000	2005
Ajay Virmani ⁽⁹⁾ Ontario, Canada	President, Chief Executive Officer and Director	Chief Executive Officer of the GP	1,808,693	2005
Dan Mills ⁽⁴⁾⁽¹⁰⁾ Ontario, Canada	Executive Vice President Corporate Governance, Chief Financial Officer, Corporate Secretary, and Director	Chief Financial Officer since March 2008 and Executive Vice President Corporate Governance, Corporate Secretary and Executive Vice-President of the GP since June 2005. Chief Financial Officer of the Fund from June 2005 to June 2007. Executive Vice President and Chief Financial Officer of Cargojet Holdings Ltd. prior to June 2005.	438,055	2005

Notes:

- (1) Each of the foregoing individuals has been principally engaged in the occupation set out opposite his name for the preceding five years.
- (2) The information as to Voting Units beneficially owned or over which control or direction is exercised, not being within the knowledge of the Fund, has been furnished by the proposed nominees.
- (3) Member of the Compensation and Nominating Committee. Mr. Francis is currently acting Chairman of the Compensation and Nominating Committee.
- (4) Member of the Corporate Governance Committee. Mr. Francis is Chairman of the Corporate Governance Committee.
- (5) Member of the Audit Committee. Mr. Webster is Chairman of the Audit Committee.
- (6) No proposed director of the GP is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity (i) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director, chief executive officer or chief financial officer, in the Fund being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except on December 17, 2002, Flagship International Marketing Ltd. ("FIML") voluntarily filed an assignment in bankruptcy under the Bankruptcy and Insolvency Act. At the time of filing the assignment in bankruptcy, Ajay Virmani and Dan Mills were the shareholders and directors of FIML. Ajay Virmani and Dan Mills together represented approximately 76% of creditor claims. The Fuller Landau Group Inc. acted as trustee of FIML. On December 21, 2006, Starjet Airways Ltd. ("SAL") voluntarily filed an assignment in bankruptcy under the Bankruptcy and Insolvency Act. At the time of filing the assignment in bankruptcy, Ajay Virmani, Dan Mills and Jamie Porteous were officers and directors of SAL. The Virmani Family Trust, The Mills Family Trust and The Porteous Family Trust were shareholders of SAL. The Fuller Landau Group Inc. acted as trustee of SAL.
- (7) No proposed Trustee has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.
- (8) Lead director of the GP Board.
- (9) Chairman of the GP Board.
- (10) Dan Mills is the beneficial holder of 30,000 Voting Units and is a trustee of the Mills Family Trust which is the beneficial holder of 408,055 Voting Units.
- (11) Mr. Godfrey was appointed as a Trustee of the Fund, as a trustee of the Operating Trust and as a director of the GP on February 27, 2009 following receipt of the written resignation of Jonathan Carroll as a director of the GP.

Appointment of Auditors of the Fund

The auditors of the Fund are Deloitte & Touche LLP, Chartered Accountants and Licensed Public Accountants. Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote for the appointment of Deloitte & Touche LLP as the auditors of the Fund, to hold office until the next annual meeting of Unitholders, at a remuneration to be fixed by the Trustees. Deloitte & Touche LLP have been auditors of the Fund since inception.

Audit Committee

Information on the Audit Committee of the Board of Trustees of the Fund is provided in the Fund's AIF dated March 14, 2008, which has been filed on SEDAR at www.sedar.com.

Additional Information

Additional information relating to the Fund can be found on SEDAR at www.sedar.com. Financial information is provided in the Fund's financial statements for the financial period ended December 31, 2008 and related management's discussion and analysis of financial results, which will be filed on SEDAR. Unitholders may also contact the Vice President, Marketing, Public & Government Relations of Cargojet by phone at (905) 501-7373 or by e-mail at pdhillon@cargojet.com to request copies of these documents.

Trustees' Approval

The contents of this management information circular and the sending thereof have been approved by the Trustees of the Fund.

Toronto, Ontario
February 27, 2009

SCHEDULE "A"

Charter of The Board of Trustees

I. Purpose

The Board of Trustees of Cargojet Income Fund (the "**Fund**") is ultimately responsible for the stewardship of the Fund and the operation of the business of the Fund. The Board of Trustees will discharge its responsibilities directly and through committees currently consisting of an Audit Committee of the Fund, a Compensation and Nominating Committee and a Corporate Governance Committee of Cargojet GP Inc. (the "**GP**"). The Board of Trustees will also be responsible for adopting and periodically reviewing the Fund's Timely Disclosure, Confidentiality and Insider Trading Policy. The Board of Trustees shall meet regularly to review the business operations, governance and financial results of the Fund. Meetings of the Board of Trustees shall include regular meetings without management to discuss specific aspects of the operations of the Fund.

II. Composition

The Board of Trustees shall be constituted at all times of a majority of individuals who, subject to any exemptions set out in National Instrument 52-110 Audit Committees ("**NI 52-110**"), will be independent. An "independent" trustee is a trustee who has no direct or indirect material relationship with the Fund. A "material relationship" is a relationship which could, in the view of the Board of Trustees of the Fund, be reasonably expected to interfere with the exercise of the trustee's independent judgement or a relationship deemed to be a material relationship pursuant to NI 52-110.

III. Responsibilities

The Board of Trustees' responsibilities include, without limitation to its general mandate, the following specific responsibilities:

1. Appointing an independent chairman who will be responsible for the leadership of the Board of Trustees and for specific functions to ensure the independence of the Board of Trustees.
2. The assignment to committees of trustees of the Fund or the directors of the GP, the general responsibility for developing the Fund's approach to: (i) financial reporting and internal controls; (ii) corporate governance issues; and (iii) issues relating to compensation of trustees, directors, officers and employees;
3. With the assistance of the Audit Committee:
 - (a) recommending the appointment of auditors and assessing the independence of the auditors;
 - (b) ensuring the integrity of the Fund's internal control and management information systems;
 - (c) identifying the principal risks of the Fund's business and ensuring that appropriate systems are in place to manage these risks;
 - (d) approving interim and annual financial statements of the Fund;
 - (e) reviewing the Charter of the Audit Committee, at least annually.

4. With the assistance of the Compensation and Nominating Committee:
 - (a) approving the compensation of trustees, directors, senior management and all other significant employees;
 - (b) ensuring that an appropriate selection process for new nominees to the Board of Trustees of the Fund is in place and developing the Fund's approach to nomination and review of trustees, directors, officers and employees; and
 - (c) developing the corporate objectives that the Chief Executive Officer is responsible for meeting, and assessing the Chief Executive Officer against these objectives.
5. With the assistance of the Corporate Governance Committee:
 - (a) developing the Fund's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Fund;
 - (b) approving the formal charters of the Audit Committee, Compensation and Nominating Committee and Corporate Governance Committee; and
 - (c) adopting a communication policy for the Fund.
6. Assessing, at least annually, the effectiveness of the Board of Trustees of the Fund as a whole, the Audit Committee, Compensation and Nominating Committee and Corporate Governance Committee and the contribution of individual trustees and directors, including consideration of the appropriate size of the Board of Trustees of the Fund.
7. Ensuring that an appropriate orientation and education program for new recruits to the Board of Trustees of the Fund and Board of Directors of the GP is in place and providing continuing education opportunities for all trustees.
8. Succession planning and the appointment, training and monitoring of the Chief Executive Officer and other senior management.
9. Developing a position description for the Chair of the Board of Trustees and the Chair of each Board Committee.
10. Developing, together with the Chief Executive Officer, a position description for the Chief Executive Officer, including the definition of the limits to management's responsibilities.
11. Approving securities compliance policies, including communications policies of the Fund and reviewing these policies at least annually.
12. The adoption of a strategic planning process and the approval and review, on at least an annual basis, of a strategic plan that takes into account business opportunities and business risks.
13. The adoption of a formal process to consider what competencies and skills the board, as a whole, should possess and what competencies and skills each existing director possesses.
14. The adoption of a formal code of business ethics or business conduct for the Fund that governs the behavior of Trustees of the Fund and directors, officers and employees of subsidiaries of the Fund.

15. Monitoring compliance with the code of business ethics or business conduct and granting any waivers from compliance with the code for Trustees of the Fund and directors and officers of subsidiaries of the Fund.
16. Ensuring that the Charter of the Audit Committee is published in the Fund's annual report or information circular as required.
17. Performing such other functions as prescribed by law or assigned to the Board of Trustees of the Fund in the declaration of trust governing the Fund.

IV. Administrative Procedures

1. The members of the Board of Trustees are expected to attend all meetings of Board of Trustees unless prior notification of absence is provided.
2. The members of the Board of Trustees are required to have reviewed board materials in advance of the meeting and be prepared to discuss such materials at the meeting.
3. The Board of Trustees shall provide contact information on the website of Cargojet Holdings Ltd. for the Chairman of the Board of Trustees, who will be responsible for receiving feedback from unitholders.