

THE DATA GROUP INCOME FUND

# Annual Meeting of Unitholders



to be held on May 15, 2008

**The Data Group Income Fund  
Notice of Annual Meeting of Unitholders  
to be held on May 15, 2008**

Notice is hereby given that the annual meeting (the "Meeting") of the holders of trust units ("Units") of The Data Group Income Fund (the "Fund") will be held at the offices of McCarthy Tétrault LLP, Toronto Dominion Bank Tower, Toronto Dominion Centre, 53<sup>rd</sup> Floor, Toronto, Ontario, on May 15, 2008 at 10:00 a.m. (Toronto time) for the following purposes:

- (a) to receive the consolidated financial statements of the Fund for the year ended December 31, 2007, together with the report of the auditors thereon;
- (b) to elect trustees for the coming year;
- (c) to appoint auditors of the Fund and to authorize the trustees of the Fund to fix the auditors' remuneration; and
- (d) to transact such other business as may properly come before the Meeting or any adjournment thereof.

This notice is accompanied by a Management Proxy Circular, a form of proxy, a financial statement request form and an annual report that includes the audited financial statements of the Fund for the year ended December 31, 2007.

A Unitholder of record at the close of business on April 11, 2008 will be entitled to vote at the Meeting.

If you are unable to attend the Meeting in person, then kindly complete, date and sign the enclosed form of proxy and return it in the enclosed envelope. To be effective, proxies must be sent by mail, fax or personal delivery to the attention of the Fund c/o Computershare Trust Company of Canada, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, fax number 1-866-249-7775, and received no later than 10:00 a.m. (Toronto time) on May 13, 2008 or, if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto) before the time set for the adjourned Meeting.

DATED April 12, 2008.

By Order of the Board of Trustees



(signed) Derek Ridout  
Trustee, Chairman of the Board  
The Data Group Income Fund

**THE DATA GROUP INCOME FUND**  
**Management Proxy Circular for the Annual Meeting of Unitholders**  
**to be held on May 15, 2008**

**Solicitation of Proxies**

**This management proxy circular (the "Circular") is furnished in connection with the solicitation of proxies on behalf of the trustees of The Data Group Income Fund (the "Fund") by management of Data Business Forms Limited, as general partner of The Data Group Limited Partnership (the "Partnership"), the Fund's wholly-owned subsidiary, to be used at the Fund's annual meeting (the "Meeting") of the holders ("Unitholders") of units of the Fund ("Units") to be held on May 15, 2008 or at any adjournment thereof. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone by regular employees of the Partnership without special compensation, or by the Fund's transfer agent, Computershare Trust Company of Canada, at nominal cost. The cost of solicitation will be borne by the Fund.**

**Appointment of Proxies**

Enclosed with this Circular being sent to holders of Units is a form of proxy. The persons designated in the enclosed form of proxy are David Odell, a trustee of the Fund and the President and Chief Executive Officer of the Partnership, and Derek Ridout, a trustee of the Fund. **Each holder of Units has the right to appoint some other person (who need not be a Unitholder of the Fund) to attend, vote and act on their behalf at the Meeting. This right may be exercised by inserting the person's name in the blank space provided in the enclosed form of proxy or by completing another instrument of proxy. The instrument appointing a new proxy must be in writing and must be signed by the Unitholder or their attorney therefor duly authorized in writing.** In order to be valid, proxies must be delivered, in original form or by fax at 1-866-249-7775, so as to reach or be deposited with the Fund, c/o Computershare Trust Company of Canada, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, no later than 10:00 a.m. (Toronto time) on May 13, 2008 or, if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto) before the time set for the adjourned Meeting.

Only registered holders of Units or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Units beneficially owned by a person (a "Non-Registered Holder") are registered either (i) in the name of an intermediary (an "Intermediary") (including, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans) that the Non-Registered Holder deals with in respect of the shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of the Canadian Securities Administrators, the Fund will have distributed copies of the Notice of Meeting, this Circular, the enclosed form of proxy, the financial statement request form and the financial statements for the year ended December 31, 2007 (collectively, the "meeting materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders of Units.

Intermediaries are required to forward the meeting materials to Non-Registered Holders and often use service companies for this purpose. Generally, Non-Registered Holders will either:

- be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder, but which is otherwise not completed. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the applicable form of proxy and submit it to the Fund, c/o Computershare Trust Company of Canada, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, with respect to the Units beneficially owned by such Non-Registered Holder, in accordance with the instructions elsewhere in this Circular; or
- more typically, be given a form of proxy which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute authority and instructions (often called a "proxy authorization form")

which the Intermediary must follow. Typically, the Non-Registered Holder will be given a page of instructions which contains a removable label containing a bar-code or other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit the Non-Registered Holder to direct the voting of the shares he or she beneficially owns.

**Should a Non-Registered Holder who receives either form of proxy wish to vote at the Meeting in person, the Non-Registered Holder should strike out the persons named in the proxy and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

### **Revocation of Proxies**

A registered holder of Units who has given a proxy may revoke the proxy (a) by completing and signing a proxy bearing a later date and depositing it as previously described, or (b) by depositing an instrument in writing executed by him or her or by his or her attorney authorized in writing (i) at the registered office of the Fund at any time up to and including the second last business day preceding the day of the Meeting or any adjournment thereof, or (ii) with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof, or (c) in any other manner permitted by law.

A Non-Registered Holder may revoke a proxy authorization form (voting instructions) or a waiver of the right to receive meeting materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of proxy authorization form (voting instructions) or of a waiver of the right to receive materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

### **Voting of Proxies**

On any ballot that may be called for, shares represented by properly executed proxies in favour of the persons specified in the enclosed form of proxy will be voted for or against or withheld from voting in accordance with the specifications made therein. **If a specification is not made with respect to any matter to be voted on at the Meeting, Units will be voted in FAVOUR of those matters set out in the enclosed proxy.** The enclosed form of proxy confers discretionary authority upon the persons specified therein with respect to amendments or variations to matters identified in the accompanying notice of meeting, and with respect to other matters which may properly come before the Meeting. As of the date of this Circular, the management of the Fund is not aware of any such amendment, variation or other matter to come before the Meeting.

### **Voting Units and Record Date**

The Fund was established pursuant to a declaration of trust (the "Declaration of Trust") dated November 15, 2004 and amended and restated as of December 14, 2004 and September 30, 2006. Pursuant to the terms of the Declaration of Trust, Unitholders of record at the close of business on April 11, 2008 are entitled to notice of and to attend the Meeting in person or by proxy and are entitled to one vote per Unit held. On April 11, 2008, there were 23,490,592 Units issued and outstanding.

Unless otherwise required by law or pursuant to the Declaration of Trust, every question coming before the Meeting will be decided by the majority of the votes duly cast on the question. The quorum at the Meeting will consist of two or more persons present in person either holding personally or representing as proxies in the aggregate at least 10% of the votes attached to all outstanding Units.

Any Unitholder of record at the close of business on April 11, 2008 is entitled to vote the Units registered in his or her name at that date on each matter to be acted upon at the Meeting.

Under normal conditions, confidentiality of voting is maintained by virtue of the fact that proxies and votes are tabulated by the Fund's transfer agent. However, such confidentiality may be lost as to any proxy or ballot if a question arises as to its validity or revocation or any other like matter. Loss of confidentiality may also occur if the trustees of the Fund decide that disclosure is in the interest of the Fund or its Unitholders.

### **Principal Unitholders**

To the knowledge of the Trustees and the board of directors of the General Partner (the "Directors"), as at April 11, 2008 only Goodman & Company, Investment Counsel Ltd. ("G&C"), Sentry Select Capital Corp. ("Sentry Select") and MFC Global Investment (Canada) ("MFC Global"), a division of Elliot & Page Limited, beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the voting rights attached to the Units. In a report filed on SEDAR on January 10, 2005, G&C disclosed that it held, on behalf of one or more of the mutual funds or other client accounts managed by it, 2,966,800 Units, representing approximately 19.96% of the outstanding Units. In a report filed on SEDAR on June 7, 2007, Sentry Select disclosed that one or more of its mutual funds or other managed client accounts held in the aggregate 3,192,830 Units, representing approximately 13.60% of the outstanding Units. In a report filed on SEDAR on January 10, 2007, MFC Global disclosed that it held, on behalf of one or more of the mutual funds or other client accounts managed by it, 2,394,100 Units, representing approximately 10.20% of the outstanding Units.

In August 2006, the Fund issued by way of a public offering of 5,650,000 Units and \$35 million aggregate principal amount of 6.75% extendible convertible unsecured subordinated debentures (the "Debentures"). Each \$1,000 principal amount of Debenture is convertible at the option of the holder into 88.889 Units, subject to adjustment in certain events. The Fund understands that G&C acquired 900,000 Units pursuant to the offering. In addition, the Fund understands that G&C subscribed for \$6.5 million aggregate principal amount of Debentures. Based on that understanding, upon completion of that public offering, the aggregate number of Units held by G&C increased to 4,444,578 representing 18.93% of the total number of outstanding Units (without giving any effect to conversion of any Debentures).

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

### **Appointment of Auditors**

At the Meeting Unitholders will be requested to appoint PricewaterhouseCoopers as auditors of the Fund, to hold office until the next annual meeting of Unitholders, and to authorize the Board of Trustees to fix the auditors' remuneration. PricewaterhouseCoopers LLP served as auditors of the Fund since its creation in November 2004.

**In the absence of a contrary instruction, the persons specified in the enclosed form of proxy intend to vote for the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Fund to hold office until the next annual meeting of Unitholders or until their successors are appointed and for the resolution authorizing the Board of Trustees to fix their remuneration.**

### **Election of Trustees of the Fund and Directors of the General Partner**

The five nominees proposed for election as both trustees of the Fund ("Trustees") and directors of the General Partner are listed below. Pursuant to the Declaration of Trust, the Trustees are required to vote the common shares of the General Partner held by the Fund to elect those individuals that Unitholders approve as directors of the General Partner ("Directors"). Trustees and Directors are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of Unitholders.

**In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote for the election as Trustees and Directors the nominees whose names are set forth below, each of whom has been a Trustee and Director since the date indicated below opposite his name. If, for any reason, at the time of the Meeting any**

of the nominees are unable to serve, and unless otherwise specified, it is intended that the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.

The following table sets forth information with respect to each person proposed to be nominated for election as a Trustee and a Director, including the number of Units owned beneficially, or over which control or direction was exercised, by such person at the date of this Circular. The information as to Units beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of the Fund, has been furnished by the respective nominees individually.

<u>Proposed Nominee</u>	<u>Principal Occupation</u>	<u>Trustee Since</u>	<u>Director Since</u>	<u>Units</u>
Ron Fotheringham <sup>(1)(2)(3)</sup> Woodview, Ontario Canada	Corporate director	2004	2004	6,000
John H. Greenhough <sup>(1)</sup> Aurora, Ontario Canada	Corporate director	2004	2004	7,000
David M. Odell Richmond Hill, Ontario Canada	President and Chief Executive Officer of the Partnership; trustee of the Fund	2004	1998	44,300
Derek Ridout <sup>(2)(3)</sup> Toronto, Ontario Canada	Corporate director	2004	2004	5,000
Thomas R. Spencer <sup>(1)(2)(3)</sup> Toronto, Ontario Canada	Corporate director	2004	2004	15,000

Notes:

- (1) Member of the Audit Committee of the Fund.
- (2) Member of the Corporate Governance Committee of the Fund.
- (3) Member of the Compensation Committee of the General Partner.

The principal occupation of each member of the Board of Trustees and the Board of Directors for the past five years preceding the date hereof and additional biographical information is described below:

*David M. Odell.* Mr. Odell has been a trustee of the Fund since November 15, 2004. Mr. Odell joined a predecessor of the General Partner in April 1998 as President of its Data East division. In May of 2000, he was appointed President and Chief Executive Officer of a predecessor of the General Partner. Prior to joining the General Partner, Mr. Odell was President of a number of divisions within Maclean Hunter Limited and Southam Inc., which were major communications organizations headquartered in Canada. Mr. Odell's experience also includes managing promotion and advertising companies.

*Ron Fotheringham.* Mr. Fotheringham has been a trustee of the Fund since December 14, 2004. Since retirement in 2001, Mr. Fotheringham has continued his strategic planning consulting work in his personal Partnership, Stoney Lake Management Consulting. Prior to retirement, Mr. Fotheringham was a partner with Tandem International, one of Canada's leading management consulting firms, specializing in the marketing and sales disciplines. During his 28 years with the firm, his responsibilities included serving as Managing Partner of the firm's marketing practice and as Chairman of Tandem, prior to the firm's merger with Towers Perrin in 1998. Before joining Tandem, Mr. Fotheringham worked for 11 years at Procter & Gamble in the Research and Development and Marketing departments. Mr. Fotheringham has a Bachelors Degree in Honours Chemistry and a Masters Degree in Business Administration, both from McMaster University, and an ICD.D designation through Rotman School of Management, University of Toronto. Mr. Fotheringham currently serves on the Board of Directors of the Ontario Lottery & Gaming Corporation and the Board of Directors of The Peterborough Festival of Lights.

*John H. Greenhough.* Mr. Greenhough has been a trustee of the Fund since November 15, 2004. Mr. Greenhough has extensive experience in the printing industry. From 1972 to 1980, he was Vice President and General Manager of the Data Group, and served as President and CEO of a predecessor of the General Partner from 1981 to 1997, and as managing director from 1997 until May 2000. Mr. Greenhough also held a number of positions within Maclean Hunter Limited, including service on the Management Committee and Group President of Printing. Mr. Greenhough has served on the boards of directors of a number of printing industry companies in both Canada and the United States, including Davis + Henderson, Jasper Printing and General Business Forms, the Yorkville Group of Companies, Label Art and Transkrit Corporation. Throughout his career, Mr. Greenhough has also served in several major printing industry associations in Canada, Europe and the United States. Mr. Greenhough graduated in 1962 from Wilfrid Laurier University with a Bachelor of Arts degree in English & Economics.

*Derek Ridout.* Mr. Ridout has been a trustee of the Fund since November 15, 2004. Mr. Ridout is a director of Shoppers Drug Mart Corporation and Saxon Financial Inc. Mr. Ridout is also trustee of Richards Packaging Income Fund and a director of its wholly-owned subsidiary, Richards Packaging Inc., a company that operates a rigid packaging distribution and manufacturing business in North America. Mr. Ridout was the Chairman of Minacs Worldwide Inc. between May 2003 and May 2004 and was a director of that Company from 1999 to 2003. Prior to that, Mr. Ridout was the Chief Executive Officer of Perigee Investment Counsel Inc. from 2001 to 2003, President and Chief Executive Officer of Silcorp Limited from 1992 to 1999 and its Chief Operating Officer from 1990 to 1992. He was the President of Mac's Convenience Stores Division from 1983 to 1989 and President of Seven-Up Canada Limited from 1980 to 1983. Mr. Ridout holds an Honours degree in Business Administration from the University of Western Ontario.

*Thomas R. Spencer.* Mr. Spencer has been a trustee of the Fund since December 14, 2004. Mr. Spencer has been a corporate director since 2003, when he retired from a 27 year career with the TD Bank Financial Group. Starting in commercial lending and corporate finance in Toronto and New York, Mr. Spencer's leadership roles included Vice President, Corporate & Investment Banking Group, Toronto; and Vice President, Merchant Banking Services, New York. Mr. Spencer moved to the risk management area in 1994 as Senior Vice President, Risk Management Policy Group. From 1998 to 2002 he served as the Bank's Executive Vice President, Risk Management and during 2002-2003 was Vice Chair, Risk Management. He is currently a member of the Board of Directors of Business Development Bank of Canada, Kruger Inc., and Vismant Exploration Inc. and remains a member of the Advisory Committee of TD Capital Private Equity Investors I, II and III. Mr. Spencer holds an M.B.A. and a B.A. in Economics, both from York University in Toronto.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Fund is committed to a high standard of corporate governance practices. The Board of Trustees supports the Fund's efforts to align with the recommendations currently in effect and contained in *National Policy 58-201: Corporate Governance Practices*. The Fund's Statement of Corporate Governance Practices is attached as Appendix "A" to this Circular.

Over the past several years there have been various initiatives by securities regulatory authorities, institutional investors and stock exchanges to enhance the standards of corporate governance within public companies. These initiatives have addressed corporate governance issues generally and, in particular, issues related to accounting controls, disclosure standards, board oversight, appropriate management incentives, board independence and other matters. The Board of Trustees will continue to monitor developments in this area carefully, and will respond appropriately to any future changes.

## EXECUTIVE COMPENSATION

The Fund does not have any officers or employees. The following table sets forth information concerning the compensation earned by the Partnership's Chief Executive Officer, Chief Financial Officer and the Partnership's other three most highly compensated executive officers (the "Named Executive Officers") in the Fund's 2007, 2006 and 2005 fiscal years. Compensation is presented for the fiscal year-ended December 31, 2007, 2006 and 2005, respectively, to the extent that the Named Executive Officer was an employee of the Partnership (or its predecessor) during that period.

### Summary Compensation Table

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation	All Other Compensation (\$)
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards	
					LTIP Payouts (\$) <sup>(1)</sup>	
David M. Odell President & Chief Executive Officer	2007	475,000	453,704 <sup>(2)</sup>	—	31,319	—
	2006	450,000	396,592 <sup>(3)</sup>	—	46,800	—
	2005	450,000	404,493	—	84,548	—
Paul O'Shea Chief Financial Officer	2007	242,000	140,565 <sup>(2)</sup>	—	31,319	—
	2006	230,000	139,236 <sup>(4)</sup>	—	46,800	—
	2005	200,000	133,395	—	84,548	—
Steve Galameau President, Data West	2007	204,108	198,380 <sup>(2)</sup>	—	31,319	2,400 <sup>(5)</sup>
	2006	192,038	101,218	—	46,800	2,400 <sup>(5)</sup>
	2005	183,054	112,186	—	84,548	2,400 <sup>(5)</sup>
Michael Suksi <sup>(6)</sup> President, Data East	2007	208,000	250,874 <sup>(2)</sup>	—	31,319	—
	2006	15,770	—	—	—	—
Rick Barron Vice-President, Sales, Data West	2007	174,691	93,922	—	21,330	2,400 <sup>(5)</sup>
	2006	167,056	107,362	—	31,200	2,400 <sup>(5)</sup>
	2005	152,378	121,145	—	56,365	2,400 <sup>(5)</sup>
Diane Schwind Vice-President, Operations, Data East	2007	152,066	202,155 <sup>(2)</sup>	—	31,319	—
	2006	136,204	57,610	—	46,800	—
	2005	132,765	53,719	—	84,548	—

Notes:

- (1) Pursuant to the terms of the Partnership's long-term incentive plan, one-third of the amount shown in this column vested on the date of grant and the remaining amount will vest in equal portions in 2008 and 2009, subject to the terms of such plan. See the table below entitled "LTIP Awards in Most Recently Completed Financial Year" and "Long-Term Incentive Plan".
- (2) Includes a bonus paid upon the achievement of certain targets established in relation to the integration of the former Data Business Forms Limited and Relizon Canada Inc. businesses following the Fund's acquisition of Relizon Canada Inc. in August 2006.
- (3) Includes a completion bonus paid upon the Fund's acquisition of Relizon Canada Inc. in August 2006.
- (4) Includes a completion bonus paid upon the Fund's acquisition of Relizon Canada Inc. in August 2006.
- (5) Represents annual contributions to the Partnership's defined contribution pension plan.
- (6) Mr. Suksi joined the Partnership in November 2006.

#### Long-Term Incentive Plan

The Partnership has established a long-term incentive plan (the "LTIP") for key senior management of the Partnership and its affiliates. The purpose of the LTIP is to provide eligible participants with compensation opportunities that will encourage ownership of Units, enhance the Partnership's ability to attract, retain and motivate key personnel, and reward key senior management for significant performance and associated per Unit cash flow growth of the Fund. Pursuant to the LTIP, the Partnership will determine a cash award based upon the amount by which the Fund's per Unit distributable cash exceeds certain per Unit distributable threshold amounts. That cash award will be allocated to each participant and the participant's entitlement to the allocated amount will vest in the manner determined by the Compensation Committee. The unvested portion of any such allocated amount will not be paid by the Partnership's to the participant until the funds have vested. As ownership in the allocated amount vests for a participant, a third party trustee will then purchase Units in the market with the after-tax amount of such allocated award. The LTIP is administered by the Compensation Committee of the Board of Directors. The Board of Directors has the power to, among other things, and upon the recommendation of the Compensation Committee, determine (i) those individuals who will participate in the LTIP, (ii) the level of participation of each participant, and (iii) the time or times when the participant's ownership of cash awards will vest for each participant.

The percentage amount of that excess which forms the LTIP incentive pool is determined in accordance with the table below:

Percentage by which Distributable Cash per Unit Exceeds Base Distributable Cash Threshold <sup>(1)</sup>	Maximum Proportion of Excess Distributable Cash Available for LTIP Payments
5% or less	10%
Greater than 5% and up to 10%	15%
Greater than 10%	20%

Note:

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

The base distributable cash threshold is subject to adjustment by the Compensation Committee, from time to time, as targets are met.

The following table sets forth LTIP grants made to the Named Executive Officers in the fiscal year ended December 31, 2007. In accordance with the terms of the LTIP, one-third of the total after-tax cash award made to the Named Executive Officer will be used to purchase Units. The remainder of the cash award is subject to vesting in equal amounts in 2009 and 2010 and the after-tax amount of the cash award will be used to purchase Units when ownership of the cash award vests in the Named Executive Officer.

#### LTIP Awards in Most Recently Completed Financial Year

Name	Securities, units or other rights	Performance or other period until maturation or payout
David M. Odell	\$10,440 <sup>(1)</sup> /\$20,879 <sup>(2)</sup>	March 5, 2010
Paul O'Shea	\$10,440 <sup>(1)</sup> /\$20,879 <sup>(2)</sup>	March 5, 2010
Steve Galarneau	\$10,440 <sup>(1)</sup> /\$20,879 <sup>(2)</sup>	March 5, 2010
Michael Suksi	\$10,440 <sup>(1)</sup> /\$20,879 <sup>(2)</sup>	March 5, 2010
Rick Barron	\$7,110 <sup>(1)</sup> /\$14,220 <sup>(2)</sup>	March 5, 2010
Diane Schwind	\$10,440 <sup>(1)</sup> /\$20,879 <sup>(2)</sup>	March 5, 2010

Notes:

- (1) Represents the vested portion of the cash award made to the Named Executive Officer under the LTIP in 2007.  
(2) Represents the unvested portion of the cash award made to the Named Executive Officer under the LTIP in 2007.

#### Pension Plan

Paul O'Shea and Diane Schwind, each of whom is a Named Executive Officer, participate in the defined benefit provision of the Partnership's pension plan (the "Plan"), together with certain other employees of the Partnership. Effective January 1, 2008, the Partnership amended the Plan such that no future service credits will accrue under the defined benefit provision of the Plan, although pensionable earnings on and after January 1, 2008 will be factored into the determination of a participant's final average earnings.

Annual pensions under the Plan are based on 1% of the employee's best five year average pensionable earnings (not to exceed the final five year average Year's Maximum Pensionable Earnings set each year by the Canada Pension Plan ("YMPE")) plus 1.75% of the employee's best five year average pensionable earnings in excess of the five year average YMPE, times the number of years of service. For pension benefit purposes, pensionable earnings equal basic salary, bonuses and all other forms of remuneration. The maximum annual pension benefit under the Plan is \$1,722.22 times the number of years of credited service. Mr. O'Shea's pensionable earnings, as at December 31, 2007, were such

that it is expected that he will receive an annual pension under the Plan equal to \$38,893 (being the maximum annual pension benefit under the Plan times his years of credit service for purposes of the Plan, which were 22 years and seven months as at December 31, 2007). Ms. Schwind's pensionable earnings, as at December 31, 2007, were such that it is expected that she will receive an annual pension under the Plan equal to \$42,242 (being the maximum annual pension benefit under the Plan times her years of credit service for purposes of the Plan, which were 24 years and seven months as at December 31, 2007).

Pension payments are not subject to any deduction for social security or other offset amounts such as Canada Pension Plan.

### **Employment Agreements**

Each of David M. Odell, the Chief Executive Officer of the Partnership and Paul O'Shea, the Chief Financial Officer of the Partnership are parties to an employment agreement with the Partnership. Pursuant to the terms of these employment agreements, the President and Chief Executive Officer receives a base salary of \$475,000 per annum and the Chief Financial Officer receives a base salary of \$242,000 per annum. Each such officer is entitled to such cash performance bonuses and incentives (including participating in the LTIP) as are determined from time to time by the Compensation Committee. Pursuant to these employment agreements, such officers are entitled to the payment of up to 24 months' base salary plus earned but unpaid performance bonuses and LTIP payments in the event of the termination of their employment without cause or in the event of the termination of their employment following a change of control. These employment agreements also provide for, among other things, confidentiality, non-solicitation and non-competition covenants in favour of the General Partner.

The non-solicitation and non-competition covenants apply during the term of employment and for two years following resignation or the termination of employment by the Partnership for any reason.

These employment agreements are subject to review and change as determined by the Compensation Committee and approved by the board of directors of the Partnership from time to time.

### **REPORT ON EXECUTIVE COMPENSATION**

The Partnership's executive compensation policy is designed to provide motivation and incentives to the Partnership's executives with the view to enhancing Unitholder value and successfully implementing the Partnership's business plans to recognize the scope and level of responsibility of each position, to provide a competitive level of total compensation to all executives and to reward superior performance and achievement.

The key components for executive compensation include base salaries, cash bonuses, grants under the LTIP and benefits such as medical and dental insurance. Levels of compensation are established and maintained with the intent of attracting and retaining quality employees. The Partnership's policy for total compensation aims to maintain total compensation levels that are competitive with those of the printing and document management sectors. To ensure the successful implementation of this policy, the Partnership retains the services of independent compensation consultants to gather information regarding the compensation practices of companies of comparable size in the printing and document management sectors in Canada.

The base salary for each executive of the Partnership is reviewed annually based on the individual's level of responsibility, competitive compensation levels offered in the markets in which the Partnership operates, the importance of the position to the Partnership and the individual's contribution to the Partnership's performance.

During 2007, the Compensation Committee reviewed executive compensation, including base salaries, cash bonuses, units granted under the LTIP, and benefits. The Compensation Committee considered the results achieved by the Partnership during the year relative to the Partnership's objectives when deciding to recommend salary adjustments. Cash bonuses were determined by the Partnership's performance relative to achievement of its annual targets regarding distributable cash plus achievements and progress relative to targets established in relation to the integration of the former Data Business Forms Limited and Relizon Canada Inc. businesses following the Fund's acquisition of Relizon Canada Inc. in August 2006. Awards under the LTIP are determined by the extent to which cash available for

distribution exceeds the threshold of \$1.1928 per Unit per year, and the Compensation Committee's view of the individual's performance during the year. During 2007, the Partnership's distributable cash exceeded the threshold required by the LTIP by \$0.0801 per Unit, which resulted in the participation rate of 15%. The Partnership determined to award an aggregate of \$282,150 as required by the provisions of the LTIP, which will vest over a three-year period.

Compensation matters relating to the Chief Executive Officer are approved by the board of directors of the General Partner on the recommendation of the Compensation Committee. Mr. Odell is subject to an employment agreement with the predecessor to the General Partner dated December 14, 2004, as amended. In consideration for his services, Mr. Odell receives a base salary, various fringe benefits, and a cash bonus based on distributable cash achieved by the Partnership for the year in comparison with targets established by the board of directors of the General Partner with respect to distributable cash, plus achievements and progress relative to targets established by the board of directors of the General Partner in relation to the integration of the former Data Business Forms Limited and Relizon Canada Inc. businesses following the Fund's acquisition of Relizon Canada Inc. in August 2006. In addition, Mr. Odell is eligible to participate annually in the Partnership's LTIP on the same basis as other participants in the LTIP. The degree to which Mr. Odell participates in the LTIP is determined annually by the board of directors of the Partnership.

For 2007, Mr. Odell received a base salary of \$475,000, which is at the level specified in his employment agreement. Mr. Odell received a cash bonus of \$453,704, based on the Partnership's annual distributable cash and integration targets for 2007. Mr. Odell received an LTIP grant in 2007 of \$31,319.

Report presented by Compensation Committee.

Ron Fotheringham, Chair  
Derek Ridout  
Thomas R. Spencer

#### **INDEBTEDNESS OF TRUSTEES, DIRECTORS AND OFFICERS**

None of the trustees of the Fund, director or officer of the General Partner, nor any associate of any such person, is indebted to the Fund or the General Partner.

#### **COMPENSATION OF TRUSTEES OF THE FUND AND DIRECTORS OF THE GENERAL PARTNER**

During the year ended December 31, 2007, the Fund had five Trustees and the General Partner had five Directors. Four of the Trustees/Directors were not members of management of the General Partner. The compensation paid to individuals (other than management of the Partnership) for acting as both a Trustee and a Director is currently as follows:

- Annual retainer: \$25,000
- Board chair retainer: \$5,000
- Committee chair retainer: \$3,000
- Board or Committee meeting: \$1,000
- Reimbursement of related travel and out-of-pocket expenses incurred in attending meetings of the trustees of the Fund or directors of the General Partner

#### **TRUSTEES', DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

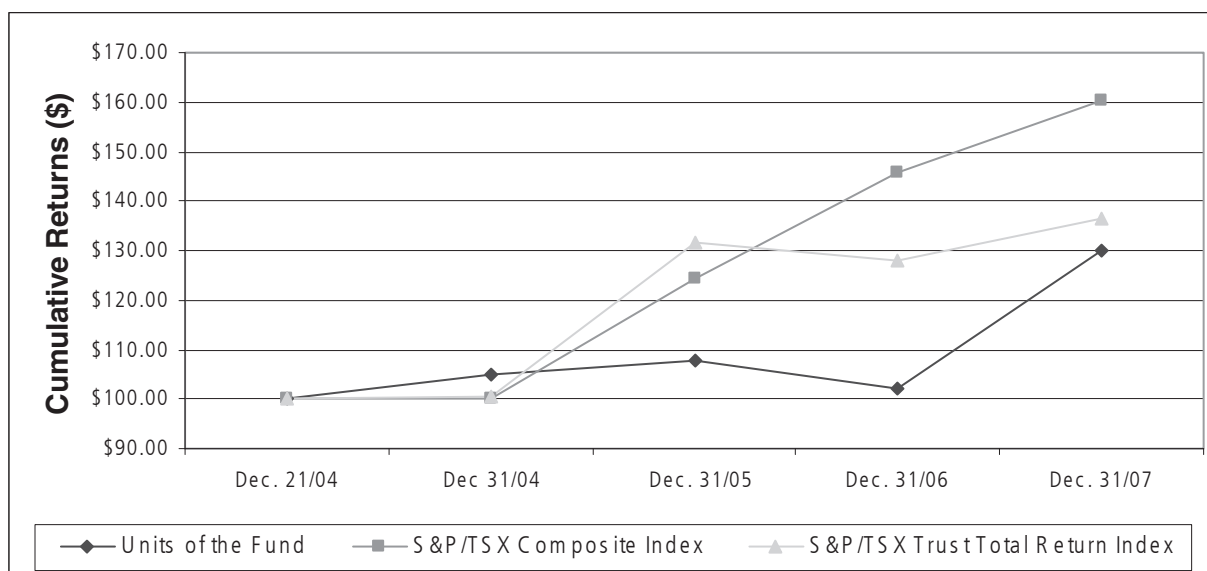
The Fund maintains a policy of insurance for its trustees and directors and officers of the General Partner and the Partnership. The aggregate limit of liability applicable to all insured trustees of the Fund and directors and officers of the General Partner and the Partnership under the policy is \$15 million, inclusive of defense costs. Under the policy, the Fund and the General Partner and the Partnership have reimbursement coverage to the extent of a deductible of \$500,000 for each loss. The policy includes securities claims coverage for the Fund and the General Partner and the Partnership, insuring against any legal obligation to pay on account of any securities claims brought against it. The aggregate limit of liability is, however, shared between the Fund, the General Partner and the Partnership and their respective trustees,

directors and officers such that the limit of liability is not exclusive to the Fund, the General Partner and the Partnership or their respective trustees, directors and officers.

### PERFORMANCE GRAPH

The following graph compares the percentage change in the cumulative Unitholder return on the Units compared to the cumulative total return of the S&P/TSX Composite Index from the date that the Units were first listed on the Toronto Stock Exchange, December 21, 2004 (the date on which the Units commenced trading on the Toronto Stock Exchange), to December 31, 2007 based on the price of the Units, assuming a \$100 investment on December 21, 2004 and reinvestment of distributions.

#### Cumulative Value of \$100 Investment in the Units and the S&P/TSX Composite Index



	<u>Dec. 21/04</u>	<u>Dec 31/04</u>	<u>Dec. 31/05</u>	<u>Dec. 31/06</u>	<u>Dec. 31/07</u>
<b>Nominal Data:</b>					
Units of the Fund	\$100.00	\$105.00	\$107.63	\$102.03	\$130.03
S&P/TSX Composite Index	\$100.00	\$100.20	\$124.37	\$145.84	\$160.18
S&P/TSX Trust Total Return Index	\$100.00	\$100.52	\$131.66	\$127.92	\$136.37
<b>Actual Data:</b>					
Units	\$10.20	\$10.71	\$10.98	\$10.41	\$9.93
Composite Index	\$21,402	\$21,445	\$26,619	\$31,213	\$34,282
S&P/TSX Trust Total Return Index	\$174.92	\$175.83	\$230.30	\$223.75	\$238.54

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

During the year ended December 31, 2007, there were no material transactions involving any interest of a trustee of the Fund or a director or executive officer of the Partnership, any person or company who beneficially owns, directly or indirectly, voting securities of the Fund or who exercises control or direction over voting securities of the Fund or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Fund, or a director or executive of any of the foregoing.

### **ADDITIONAL INFORMATION**

Copies of the following documents are available upon written request to the Fund at c/o Data Business Forms Limited, 9195 Torbram Road, Brampton, Ontario Canada L6S 6H2 or by calling 905-791-3151).

- (i) the Annual Report to Unitholders containing the audited consolidated financial statements for the year ended December 31, 2007 together with the accompanying Auditor's Report;
- (ii) the interim consolidated financial statements for periods subsequent to December 31, 2007
- (iii) the Fund's Management's Discussion and Analysis of Financial Condition and Results of Operations;
- (iv) this Management Proxy Circular; and
- (v) the Annual Information Form of the Fund in respect of the year ended December 31, 2007.

Additional information relating to the Fund can be found at [www.sedar.com](http://www.sedar.com). Financial information of the Fund is provided in the Fund's comparative financial statements and management's discussion and analysis of financial conditions and results of operations.

**TRUSTEES' APPROVAL**

The contents and the sending of this Circular have been approved by the Board of Trustees.

Dated as of April 12, 2008.

A handwritten signature in black ink, appearing to read 'Derek Ridout', with a stylized flourish at the end.

(signed) Derek Ridout  
Trustee, Chairman of the Board  
The Data Group Income Fund

**APPENDIX “A”**

**STATEMENT OF  
CORPORATE GOVERNANCE PRACTICES**

**Overview**

The Fund is committed to a high standard of corporate governance practices. The Board of Trustees supports the Fund’s efforts to align with the recommendations currently in effect and contained in *National Policy 58-201: Corporate Governance Practices* (“NP 58-201”), which are addressed below.

Over the past several years there have been various initiatives by securities regulatory authorities, institutional investors and stock exchanges to enhance the standards of corporate governance within public companies. These initiatives have addressed corporate governance issues generally and, in particular, issues related to accounting controls, disclosure standards, board oversight, appropriate management incentives, board independence and other matters. The Canadian securities regulatory authorities have adopted *National Instrument 58-101: Disclosure of Corporate Governance Practices* (“NI 58-101”) and NP 58-201 with the objective of providing greater transparency to Canadian capital markets regarding public entity corporate governance practices. The Board of Trustees will continue to monitor developments in this area carefully, and will respond appropriately to any future changes.

The Fund is a limited purpose trust established to invest in and otherwise deal with securities of the Partnership and its subsidiaries and other entities involved, directly or indirectly, in the Partnership’s business. The Fund also carries on certain other activities permitted by the Declaration of Trust. The Fund does not carry on any active business and the powers of the Trustees relate only to the assets and activities of the Fund and are limited to those matters set out in the Declaration of Trust. During 2007, the board of directors of the General Partner and its predecessor (the “Board of Directors”) supervised the management of the business and affairs of the Partnership. During 2007, the trustees of the Fund and the directors of the Partnership were the same individuals.

The mandate of the Board of Trustees is described below under “Board of Trustees – Board Mandate”. The mandate of the Board of Directors includes the following responsibilities:

- the adoption of a strategic planning process
- the identification of the principal risks of the Partnership’s business and ensuring the implementation of appropriate systems to manage these risks
- succession planning, including appointing, training and monitoring senior management
- a communications policy
- the integrity of internal controls and management information systems

**Board Of Trustees**

*Board Mandate*

The Board of Trustees assumes stewardship of, and recognizes that it is ultimately responsible for, ensuring that the affairs of the Fund are managed properly to protect and enhance Unitholder value. For the year ended December 31, 2007, the Trustees discharged their responsibilities directly and through the Audit Committee and the Compensation Committee. Among its duties and responsibilities, the Board:

- oversees the formulation of long-term strategic, financial and organizational plans of the Fund and monitors performance in accordance with those plans, which includes acting for, voting on behalf of and representing the Fund as a shareholder of the General Partner and a unitholder of the Partnership
- assesses the principals risks of the Fund’s investments and ensures appropriate systems are in place to manage those risks
- approves distributions of distributable cash flow of the Fund
- voting in favour of the Fund’s nominees to serve as directors of the General Partner

- oversees the communications policy of the Fund and reviews and, where necessary, approves (directly or through one of the Board committees) material disclosure documents of the Fund, such as annual and quarterly financial statements, MD&A, management proxy circulars for annual meetings and annual information forms

In addition, the Board of Trustees has adopted a written Charter, a copy of which is attached as Appendix “B” to this Circular.

#### *Board Composition and Independence*

The Board is composed of five trustees, a number considered appropriate for facilitating effective dialogue and decision-making. Four (or 80%) of the Fund’s trustees are considered independent under NI 58-101, namely, Messrs. Fotheringham, Greenhough, Ridout and Spencer. The composition of the board of trustees of the Fund and the board of directors of the General Partner are identical.

The remaining trustee of the Fund, David Odell, is not independent under NI 58-101 by virtue of his relationship with the Fund. Mr. Odell is the President and Chief Executive Officer of the Partnership. A majority of the Trustees are considered independent within the meaning of NI 58-101.

The Board elects from its ranks a chairperson to preside at all meetings of the Board. Derek Ridout, an independent trustee, was appointed as Chairman of the Fund in December, 2004 and continued to act in such capacity throughout 2007.

None of the Fund’s unitholders have the right to appoint a Trustee.

#### *Outside Trusteeships*

The following Trustees also held other reporting issuer trusteeships or directorships as set out below:

<b>Trustee</b>	<b>Reporting Issuer</b>
Derek Ridout	Richards Packaging Income Fund Shoppers Drug Mart Corporation Saxon Financial Inc.

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Note:

- (1) The units of Richards Packaging Income Fund, the common shares of Shoppers Drug Mart Corporation and the common shares of Saxon Financial Inc. are listed on the Toronto Stock Exchange.

The Board of Trustees has established procedures to enable it to facilitate open and candid discussion among the independent trustees and is satisfied that it can exercise independent judgment in carrying out its responsibilities. These include:

- the Chairman of the Board of Trustees, Mr. Derek Ridout, is an independent trustee and has a primary function to facilitate the operations and deliberations of the Board and the satisfaction of the Board’s responsibilities under its Charter
- the Board of Trustees meets on a regular basis with the Chief Executive Officer of the General Partner and without other management of the General Partner present, and it also meets from time to time without the Chief Executive Officer

### *Board Meeting Attendance*

During 2007, the Trustees attended meetings of the Board and meetings of committees of the Board or the General Partner (or its predecessor) as set out below:

<b>Trustee</b>	<b>Board Meetings Attended<sup>(1)</sup></b>	<b>Committee Meetings Attended<sup>(2)</sup></b>
Ron Fotheringham	4	12
John H. Greenhough	4	4
David Odell	4	Not applicable
Derek Ridout	4	8
Thomas Spencer	4	12

Notes:

<sup>(1)</sup> In 2007, the Board of Trustees held a total of 4 meetings.

<sup>(2)</sup> Includes meetings of the Compensation Committee of the board of directors of the General Partner and its predecessor. In respect of each Trustee/Director, the number of committee meetings attended is shown relative to the maximum number of committee meetings that such Trustee/Director was eligible to attend based on such Trustee's/Director's committee membership and tenure as a trustee of the Fund or director of the General Partner, as applicable. In 2007, the total number of eligible meetings of committees of which Messrs. Fotheringham and Spencer were members was 12, the total number of eligible meetings of committees of which Mr. Ridout was a member was 8 and the total number of eligible meetings of committees of which Mr. Greenhough was a member was 4.

### **Committees of the Board of Trustees and the Board of Directors**

The Board of Trustees and the Board of Directors each discharges its responsibilities directly, on the advice and recommendations of its committees. The Board of Trustees has established two standing committees and delegates certain of its responsibilities to each of the committees. The board of directors of the General Partner has established a compensation committee and delegates certain of its responsibilities to that committee. In each case, the committee is mandated to report to the relevant board and to carry out certain responsibilities. However, all decisions, recommendations and proposals require full board acceptance. Each of the board of trustees of the Fund and the board of directors of the General Partner has approved a Charter that governs the committees of the board.

The two standing committees of the Board of Trustees are the Audit Committee and the Corporate Governance Committee. The Board of Directors has established an Audit Committee and a Compensation Committee. A brief summary of each committee's mandate is set out below.

#### *Audit Committee*

The members of the Fund's Audit Committee are Thomas R. Spencer (Chair), Ron Fotheringham and John Greenhough. All of the members of the Audit Committee are independent within the meaning of Multilateral Instrument 52-110 – Audit Committees. The Audit Committee is responsible for monitoring the Fund's financial reporting, accounting systems, internal controls and liaising with external auditors.

The Audit Committee's responsibilities include:

- reviewing and discussing with management of the General Partner and external auditors where appropriate, the annual and interim financial statements and management's discussion and analysis and earnings press releases with respect to the Fund's annual and interim financial statements
- considering the scope and extent of the annual audit and evaluating the external auditors' performance for the preceding fiscal year, reviewing their fees and making recommendation to the Board of Trustees

- reviewing the independence and performance of the external auditors and annually recommending to the board of trustees of the Fund the independent external auditors to be proposed for appointment at the next annual meeting of Unitholders
- examining the presentation and impact of significant risks and key management estimates and judgements which may have a material impact on the Fund's financial reporting
- examining the adequacy of internal accounting and control procedures and systems

During 2007, the Audit Committee met 4 times.

For additional information concerning the Audit Committee, see the section entitled "Management of the Fund and the Partnership – Committees of the Board of Trustees of the Fund and the Board of Directors of DBFL – Audit Committee" contained in the annual information form of the Fund dated March 28, 2008.

#### *Corporate Governance Committee*

The members of the Fund's Corporate Governance Committee are Derek Ridout (Chair), Ron Fotheringham and Thomas R. Spencer. All of the members of the Corporate Compensation Committee are independent trustees within the meaning of NI 58-101. The Corporate Governance Committee is responsible for:

- developing the Fund's approach to corporate governance issues and compliance with applicable laws, regulations, rules, policies and orders with respect to such issues
- reviewing the Fund's annual report on corporate governance for inclusion in the Fund's public disclosure documents
- advising the Trustees in filling vacancies on the board
- periodically reviewing the composition and effectiveness of the board and committees of the board and the contribution of individual trustees
- reviewing Trustee compensation and the Fund's trustee's and officer's insurance and indemnification procedures

To date, it has not been necessary to fill any vacancies on the Board of Trustees. In the event of a vacancy, the Corporate Governance Committee intends to identify new nominees who have expertise in an area of strategic importance to the Fund, a willingness to serve on the Board of Trustees and any of its committees, and the ability to devote sufficient time to Board service.

In determining Trustee compensation, the Corporate Governance Committee takes into account Trustees' time commitment, trustee compensation offered by other income funds of similar size, operations and market capitalization, and the risks and responsibilities that the Trustees assume in fulfilling their duties on the Board and any committee of the Board.

The Corporate Governance Committee is also responsible for adopting and periodically reviewing and updating the Fund's written disclosure policy. This policy, among other things:

- articulates the legal obligations of the Fund and its trustees, with respect to confidential corporate information
- identifies spokespersons on behalf of the Fund who are the only persons authorized to communicate with third parties such as analysts, media and investors
- provides guidelines regarding the disclosure of forward-looking information
- requires advance review by the trustees (or, where considered appropriate, the Audit Committee of the Fund) of any disclosure of financial information, and ensure that selective disclosure of material information is not permitted and that, if it occurs, a news release is issued immediately
- establishes "black-out" periods, immediately prior to and following the disclosure of quarterly and annual financial results and immediately prior to the disclosure of certain material changes during which the Fund, its affiliated entities and their respective trustees, directors, officers, employees and consultants may not purchase or sell Units

During 2007, the Corporate Governance Committee met 4 times.

#### *Compensation Committee*

The Board of Directors has established a Compensation Committee. The members of the Compensation Committee are Ron Fotheringham (Chair), Derek Ridout and Thomas R. Spencer. The Compensation Committee is comprised entirely of independent directors within the meaning of NI 58-101. The mandate of the Compensation Committee is to review and approve corporate goals and objectives relevant to the compensation of the General Partner's senior executive officers, including the Chief Executive Officer. The Compensation Committee's responsibilities include:

- overseeing succession planning and making recommendations to the board of directors of the General Partner, including recommendations to the Board regarding the appointment of officers of the Partnership and executive compensation
- establishing in consultation with the Chief Executive Officer on an annual basis, objectives against which to review and assesses the Chief Executive Officer's performance
- reviewing with the Chief Executive Officer, the Partnership's salary scales and general salary structure, overall compensation strategy, objectives and policies
- reviewing and approving any compensation report required by applicable securities regulatory authorities for disclosure in annual proxy materials
- reviewing a code of ethics for directors, officers and employees of the Partnership and its subsidiaries and submitting the same to the board of directors for its consideration and approval
- assisting the board of directors of the General Partner in fulfilling its responsibilities relating to the retirement pension plans of the Partnership

See the section entitled "Report on Executive Compensation" contained in this Circular for further information.

During 2007, the Compensation Committee met 4 times.

#### **Position Descriptions**

The Board of Trustees has developed written position descriptions for the chairman of the Board and for the chair of each Board committee. The Board of Directors has developed a written position description for the chair of the Compensation Committee.

#### *Chairman of the Board*

The chairman of the Board of Trustees is responsible for the efficient organization and operation of the Board and its committees in order to facilitate the operations and deliberations of the Board and the satisfaction of the Board's responsibilities under its Charter; ensuring the effective communication between the Board and management and that the Board effectively carries out its mandate; and reviewing the agenda for each meeting of the Board and reviewing the agendas for all meetings of the Board committees.

#### *Chief Executive Officer*

The Board of Directors and the Chief Executive Officer have developed a written position description for the Chief Executive Officer. The objectives of the Chief Executive Officer of the Partnership include the general mandate to manage the Partnership and its businesses, including financial and human resources, and to maximize shareholder value. The Chief Executive Officer's objectives are discussed annually with the Compensation Committee.

#### **Orientation and Continuing Education**

The Fund provides new trustees with access to the Chief Executive Officer of the Partnership and all other senior management of the Partnership to provide each trustee with an understanding of the Fund and its investment in the Partnership. The chairman of the Board of Trustees reviews with new trustees the role of the Board, its committees and

its trustees, the expectations of each member, including the rules and regulations with regard to the trading of the securities of the Fund. Updates on the Fund's investment and activities are provided to Trustees on a regular basis to ensure that Trustees have the necessary knowledge concerning the Fund's investment to meet their obligations as Trustees. All Trustees are also encouraged to visit the Fund's facilities with a view to enabling them to better understand the Partnership's business.

### **Ethical Business Conduct**

As part of the Fund's commitment to effective corporate governance, all Trustees and all directors, officers and employees of the Partnership must act in accordance with the Partnership's Business Conduct Guidelines. The Guidelines which have been adopted by the Board of Trustees, require every Trustee and every director, officer, and employee of the Partnership to observe high standards of business and personal ethics as they carry out their duties and responsibilities. The Guidelines set forth policies and procedures which comprise the core principles applicable to all, and address ethical conduct, conflicts of interest and compliance with the law. The Guidelines are administered by the Board of Trustees in respect of the Fund and by the Compensation Committee of the Board of Directors in respect of the Partnership. The Compensation Committee oversees and monitors the Guidelines and reports to the Board of Directors on the implementation and monitoring of the Guidelines and all matters that arise related to their provisions, including any departures or waivers that are granted. Any person may obtain a copy of the Guidelines by written request to the Secretary of the Data Business Forms Limited, 9195 Torbram Road, Brampton, Ontario, Canada, L6S 6H2, telephone (905) 791-3151. The Board of Trustees and the Board of Directors also ensure that Trustees and Directors, as applicable, exercise independent judgment in consideration of transactions in respect of which a Trustee or executive officer, as applicable, has a material interest by requiring all Trustees and executive officers to adhere to the declaration of conflict of interest requirements mandated by the Declaration of Trust.

### **Board and Committee Assessments**

The chairman of the Board of Trustees is responsible for the effective operation of the Board and its committees. Issues regarding quality of information and Board performance have been reviewed at Board meetings. In addition, the chairman has made himself available at all times for discussions with individual Board members regarding Board performance. In carrying out his responsibilities, the chairman also reviews the contributions of its individual Trustees and considers whether the current composition of the Board promotes effectiveness and efficiency in its decision-making. In 2007, the Corporate Governance Committee formally assessed the effectiveness of the Board, each of its committees and each individual Trustee relative to (i) in the case of the Board and each committee of the Board, their roles and responsibilities and the Board or committee's mandate, as applicable, and (ii) in the case of individual Trustees, the applicable position description, as well as the competencies and skills that each individual Trustee is expected to bring to the Board. The Chair of the Corporate Governance Committee submitted the assessment submitted by the Corporate Governance Committee and determined that the Board and each of the committees is operating effectively, with highly capable, informed individuals carrying out their responsibilities in a professional manner.

The board of directors of the General Partner has conducted a similar assessment with respect to the Compensation Committee and has concluded that the unitholders of the Fund are well served with the individuals populating the compensation committee and specific efforts of this group in determining appropriate incentive plans, programs and awards for senior management.

## APPENDIX “B”

### THE DATA GROUP INCOME FUND

#### BOARD OF TRUSTEES

#### CHARTER

WHEREAS the Board of Trustees (the “Board”) of The Data Group Income Fund (the “Fund”) has determined that it would be appropriate for the Board to adopt a written mandate in the form of a Charter describing its responsibilities and duties in relation to oversight of the business and affairs of the Fund and committees of the Board;

AND WHEREAS the Board is appointed by and represents the unitholders of the Fund and is obligated to act in the best interests of the Fund;

#### A. PROCEDURAL MATTERS

1. Members of the Board shall serve at the pleasure of the unitholders of the Fund and the unitholders of the Fund shall elect the Board annually.
2. The Board may appoint such committees from time to time as it considers appropriate in compliance with the Fund’s Declaration of Trust to act on behalf of the Board or make recommendations to the Board with respect to matters to be decided by the Board. If such committees are intended as permanent committees, they shall have a Charter that defines their responsibilities in relation to the Board and the extent of delegated powers to such committees. The functions of the Board, subject to applicable laws and the Declaration of Trust of the Fund, may be delegated to its committees except where provided otherwise herein or in the Declaration of Trust.
3. At least a majority in number of the trustees shall be independent. The Governance and Compensation Committee of the Board shall make recommendations from time to time to the Board as to an appropriate determination of what constitutes an independent Trustee and the Board shall annually determine the independent status of each Trustee.
4. The Board shall choose a Trustee annually to act as Chair of the Board who shall qualify as an independent Trustee. The Board shall provide the Chair with a written mandate.
5. Members of the Board shall be entitled to receive such remuneration for acting as members of the Board as may be determined from time to time by the Board on the recommendations of the Governance Committee of the Board.
6. The Board shall, from time to time, evaluate its effectiveness and the effectiveness of its committees with respect to its (and their) contribution to the Fund and the Board’s representation of the Fund’s unitholders. The Board shall meet *in camera* at each regularly scheduled meeting of the Board and at such other times as the Board may determine for such purpose and for such other purposes as the Board may determine.
7. The Board shall consider from time to time its resources, including the adequacy of the information provided to it with respect to oversight of the management of the Fund and shall confer with management with respect to its findings.
8. The functions referred to in sections B1(a), (b), (d), (e), (g), (i), 2 and 3(a) and (b) below shall not be delegated.

## B. FUNCTIONS

### 1. General Responsibilities

- (a) The Board shall exercise general stewardship responsibilities with respect to the Fund. Without limitation, stewardship shall include the specific responsibilities and duties outlined in this Charter.
- (b) The Board shall oversee the management of the Fund. In doing so, the Board shall establish a productive working relationship with the Chief Executive Officer and other officers of The Data Group Limited Partnership (“Data LP”). On advice from the Governance Committee, the Board shall approve appointment of any person who is to hold an officer position of the Fund. The Board shall receive regular reports from the Chief Executive Officer and Chief Financial Officer of Data LP on the Fund’s financial performance.
- (c) The officers of Data LP, headed by the Chief Executive Officer, shall be responsible for general day to day management of the Fund and for making recommendations to the Board with respect to long term strategic, financial, organizational and related objectives.
- (d) The roles and responsibilities of the Board are intended to primarily focus on the formulation of long term strategic, financial and organizational goals for the Fund. Without limitation, the Board shall (i) review and approve the Fund’s financial objectives, short and long-term investment plans for the Fund and monitor performance in accordance with such plans, (ii) assess the principal risks of the Fund’s investments and ensure appropriate systems are in place to manage such risks, (iii) oversee the communications policies of the Fund and (iv) monitor the effectiveness of the Fund’s internal control and management information systems to safeguard Trust assets.
- (e) The Board shall also approve, without limitation to its obligations and duties as set out in the Fund’s Declaration of Trust:
  - (i) distributions of distributable cash flow of the Fund for each distribution period in accordance with the Fund’s Declaration of Trust;
  - (ii) significant capital allocations and expenditures;
  - (iii) review and approve all material transactions; and
  - (iv) all matters that would reasonably be expected to have a material impact on unitholders, creditors or employees.
- (f) The Board will oversee ethical behaviour and compliance with laws and regulations (which includes overseeing the choice of critical accounting principles on recommendations from the Audit Committee of the Board).
- (g) With respect to significant risks and opportunities affecting the Fund, the Board may impose such limits on the investment activity of the Fund as may be in the interests of the Fund and its unitholders.
- (h) The Board shall annually consider what additional skills and competencies would be helpful to the Board. The identification of specific candidates for consideration shall be the responsibility of the Governance Committee which shall be guided by the findings of the Board in relation to competencies and skills. The Board shall approve any proposed changes in compensation to be paid to members of the Board of Trustees on the recommendation of the Governance Committee.
- (i) The Board shall perform such other functions as are prescribed by law, as are assigned to the Board in the Fund’s Declaration of Trust and as it may from time to time determine in accordance with the plenary powers of the Board.

## 2. Relationship with Committees

- (a) The Board shall annually assess the charters of its committees.
- (b) The Board shall annually appoint a member of each committee to act as Chair of the committee on the advice of the Chair of the Board and Corporate Governance Committee.
- (c) The Board shall receive periodic reports from its committees following committee meetings and, annually, a report from each committee as to the work undertaken by the committee and the committee's recommendations, if any, for change with respect to its responsibilities and effectiveness.

## 3. Financial Reporting and Significant Disclosure Documents

- (a) The Board will review on an ongoing basis the financial and underlying operational performance of the Fund.
- (b) The Board will review and approve the Fund's annual information form as well as its annual report and related financial statements and annual management discussion and analysis disclosure. In doing so, the Board will consider the quality and usefulness of the information from the perspective of its unitholders.
- (c) The Board has responsibility for reviewing and approving for release quarterly financial statements and related disclosure.
- (d) The Board will periodically review the means by which unitholders can communicate with the Fund including the opportunity to do so at the annual meeting, communications interfaces through the Fund's website and the adequacy of resources available within the Fund to respond to unitholders.

## C. RESOURCES, MEETINGS AND REPORTS

- 1. The Board shall have adequate resources to discharge its responsibilities. The Chair shall be empowered to engage advisers as may be appropriate from time to time to advise the Chair or the Board with respect to duties and responsibilities.
- 2. The Board shall meet not less than four times per year.
- 3. The meetings of the Board shall ordinarily include the Chief Executive Officer (if not a Trustee) and the Secretary and shall periodically include other senior officers as may be appropriate and as may be desirable to enable the Board to become familiar with the Fund's management team.
- 4. The Secretary shall keep minutes of its meetings in which shall be recorded all actions taken by the Board. Such minutes shall be made available to Board members at their request and all such minutes shall be approved by the Board for entry in the records of the Fund.
- 5. Members of the Board shall have the right, for the purposes of discharging their respective powers and responsibilities, to inspect any relevant records of the Fund and its subsidiaries.
- 6. Members of the Board, subject to approval of the Chair of the Corporate Governance Committee, may retain separate counsel to deal with issues relating to their responsibilities as members of the Board.

The DATA Group Income Fund

9195 Torbram Road

Brampton, ON L6S 6H2

[www.datagroupincomefund.com](http://www.datagroupincomefund.com)

