

Westshore Terminals Income Fund Distribution Reinvestment Plan

Purpose

The Westshore Terminals Income Fund Distribution Reinvestment Plan (the “Plan”) allows unitholders of Westshore Terminals Income Fund (the “Fund”) resident in Canada to conveniently acquire additional Units of the Fund by re-investing all or a portion of the cash distributions that they are entitled to receive on their Units. Because the Units have not been qualified for distribution or registered under the securities laws of the United States or other non-Canadian jurisdictions, Unitholders who are resident in jurisdictions other than Canada are not entitled to participate in the Plan.

Participation

Except as described below, a registered holder of Units resident in Canada is eligible to join the Plan at anytime by completing an authorization form and sending it to the Fund, c/o Computershare Trust Company of Canada (the “Plan Agent”), 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1.

Beneficial owners of Units of the Fund whose Units are not registered in their own name may participate in the Plan after having their Units transferred into their own names. Alternatively, a beneficial owner whose Units are held in a specific segregated registered account, such as a numbered account with a bank, trust company or broker, may direct the bank, trust company or broker to enrol that account in the Plan with respect to those Units.

Once a holder of Units has enrolled in the Plan (a “Participant”), participation continues automatically unless terminated in accordance with the terms of the Plan. Under the terms of the Plan, the Plan Agent will apply all or a portion of cash distributions elected by the Participant that would otherwise be paid by the Fund to the Participant in respect of all or a portion of their Units to purchase additional Units prevailing market prices following the payment of the distribution during the seven trading days commencing after the date of payment.

A Unit holder shall become a Participant in the Plan as of the first distribution record date following receipt of a properly completed enrolment and authorization form, provided the enrolment and authorization form is received by the Plan Agent no later than five (5) business days prior to the relevant record date. If an authorization form is received after the record date for a particular distribution, the cash distribution will be paid to the holder of the Units in the usual manner and participation in the Plan will commence with the next cash distribution record date.

Participants should note the Units that they acquire independently of the Plan may not be registered exactly the same as holdings enrolled in the Plan and therefore, may or may not be automatically enrolled in the Plan. Participants purchasing additional Units outside of the Plan are advised to contact the Plan Agent to confirm whether or not those Units are to be enrolled in the Plan.

Method of Purchase

The Plan Agent will apply cash distributions automatically for Participants on each cash distribution date to the purchase of existing Units offered for sale on the Toronto Stock Exchange from time to time during the seven trading days following the cash distribution date. The cost of such Units purchased by the Plan Agent allocated to the Participants will be the average cost of the Units purchased.

Each Participant's account maintained by the Plan Agent will be credited with the number of Units which is equal to the amount to be invested divided by the applicable price. Full investment of funds under the Plan is possible because fractions of Units to six decimal places as well as whole Units are credited to a Participant's account. Units acquired pursuant to the Plan will be registered in the name of the Plan Agent as administrator of the Plan on behalf of the participants.

Units acquired pursuant to the Plan will not be registered in the name of the Participant, and hence cannot be immediately sold, pledged or otherwise dealt with by the Participant. See "Unit Certificates" for details about how a Participant may sell, pledge or otherwise deal with Units purchased on their behalf under the Plan.

Fees and Costs to Participate

There is no charge to Participants for reinvesting distributions and acquiring additional Units under the Plan. Brokerage commissions with respect to open market purchases in connection with the reinvestment of distributions will be paid by the Fund. However, if a Participant wishes to sell, pledge or otherwise deal with the Units purchased on their behalf under the Plan, additional brokerage, transfer and administrative costs will be paid by the Participant. See "Unit Certificates" below.

Taxation Considerations

Participants that are subject to tax will still be required to recognize as income in each year the amount of distributions paid on their Units that are applied towards the purchase of additional Units under the Plan, despite the fact that the Participants will not receive a cash payment in respect of these distributions. Participants should ensure that they have sufficient funds available to pay tax on the distributions allocated to purchase Units under the Plan.

Administration of the Plan

The Plan Agent will maintain an account for each Participant. A statement of account will be mailed to each participant approximately three weeks after each investment. This statement will set out the opening balance of the number of units being held by the Plan Agent on behalf of the Participant under the Plan, amount of cash distribution paid on the Participant's Units elected for re-investment for the relevant period and the number of Units purchased through the Plan for the period, the applicable purchase price per Unit and the balance of the number of Units being held by the Plan Agent for the benefit of the Participant. These statements are a Participant's continuing record of the cost of purchases to be retained for income tax purpose. In addition, each participant will receive the appropriate information annually for reporting distributions for income tax purposes.

Unit Certificates

The Units purchased by the Plan Agent on behalf of a Participant will not be represented by a separate Unit certificate registered in the name of the Participant. However, Participants who require a Unit certificate but do not wish to terminate participation in the Plan may obtain a certificate for any number of whole Units in their account by duly completing the withdrawal portion of the voucher printed on the reverse of their account statement and sending the voucher to the Plan Agent. A withdrawal request form may also be obtained from the Plan Agent at the address below. Certificates will not be issued for a fraction of a Unit. The Plan Agent maintains accounts in the name in which the Units held by the Participant were registered with the Fund at the time the participants enrolled in the Plan. Consequently, certificates for whole Units withdrawn from the Plan will be registered in exactly the same manner when issued.

Units being held for a participant in the Plan cannot be immediately pledged, sold or otherwise dealt with by a Participant. A Participant who wishes to do so must request that a certificate for the required number of Units be issued before such action may be taken. A certificate will generally be issued to a Participant within three weeks after receipt of a Participant's written request. Units represented by any certificate issued and the Units remaining in a participant's account will continue to be enrolled in the Plan and cash distributions on all such Units will reinvested in accordance with the Plan until notice of termination is provided to the Plan Administrator. See "Termination of Participation" below.

Termination of Participation

Participation in the Plan may be terminated by duly completing the termination portion of the voucher printed on the reverse of their account statement and sending same to the Plan Agent. The voucher must be signed by the registered holder or his or her agent. If such notice is not signed by the registered holder, sufficient evidence of another's authority to act on behalf of the registered holder must be supplied.

If notice of termination is not received at least five business days before the record date for a cash distribution, settlement of the Participant's account will not commence until after the next cash distribution date and after investment has been completed. Generally, a termination will be processed within three weeks of receipt of a written request for termination or within three weeks after a cash distribution date. No termination requests will be processed between the record date for a cash distribution and completion of the investment period, which is seven trading days following the cash distribution date plus the settlement period of 3 days from the last trading day.

When a Participant terminates participation in the Plan or when the Plan is terminated by the Fund, the Participant will receive a certificate representing the whole number of Units held in their account, a cash payment for any fraction of a Unit and the return of any uninvested cash distributions. The cash payment for any fraction of a Unit will be based on the price for Units utilized for the immediately preceding reinvestment. The Plan Agent will not sell Units or make a cash payment for any whole Units held in the account of a Participant upon termination of participation in the Plan or upon termination of the Plan.

Participants in the Plan will be terminated upon receipt by the Trustee of evidence of death of a Participant. In such case, a certificate representing the whole number of Units held in the

deceased Participant's account will be issued in the name of the deceased Participant along with cash payment for any fraction of a Unit in the account and the return of any uninvested cash distributions. Requests for issuance of a certificate representing Fund Units and cash payments for a fractions of a Unit held in the account in the name of an estate must be accompanied by such documentation as may be determined by the Plan Administrator from time to time.

Disposition by Participants of Units Held in Certificated Form

If a participant sells or transfers Units of the Fund held in certificated form that are enrolled in the Plan, the Fund will continue to invest the cash distribution on Units being held for the Participants in the Plan until notice of termination is received by the Plan Agent.

Offerings

If the Fund makes available to its registered holders of Units any rights to subscribe for additional Units or other securities, rights and certificates will be forwarded to participants in proportion to the number of whole Units held in their account in the Plan. Such rights will not be made available for any fraction of a Unit held for a participant.

Unit Voting

Whole Units held for a Participant's account under the Plan are voted at meetings of Unitholders in the same manner as Units held in certificate form, either on behalf of the Plan Participant by the Plan Administrator or by the Participant in person acting as a proxy for the Plan Agent with respect to the Units held in the Participant's account. Participants will receive particulars and appropriate documentation along with the documentation delivered to registered holders of Units. Units for which voting instructions are not timely received by the Plan Agent will not be voted at a meeting of Unitholders.

Responsibilities of the Fund and the Plan Administrator

Neither the Fund, the trustees of the Fund, Westar Management Ltd. (the manager of the Fund), nor the Plan Agent shall be liable for any act undertaken or omitted in good faith, including without limitation with respect to the prices used to calculate the number of Units acquired under the Plan, or have any duties, responsibilities or liabilities except as are expressly set forth in the Plan or are required by law. In particular, the Fund, the trustees of the Fund and the Plan Agent must comply with all applicable laws now or hereafter in force which may impose a duty to permit any properly authorized party to have access to and examine and make copies of any records relating to the Plan. Participants should recognize that none of the Fund, the trustees of the Fund, Westar Management Ltd. or the Plan Agent can assure a profit or protect against loss on Units purchased under the Plan.

Any obligations of the Fund to Participants under the Plan are obligations of the Fund and are not personally binding upon the trustees of the Fund or any of the Unitholders of the Fund and any recourse against the Fund, the trustees of the Fund or any Unitholder of the Fund in any manner in respect of any indebtedness, obligation or liability of the Trust arising under or in connection with the Plan, including without limitation claims based on negligence or otherwise tortious behaviour, shall be limited to, and satisfied only out of, the assets of the Fund.

Amendment Suspension or Termination of the Plan

The Fund reserves the right to amend, to modify, to suspend or to terminate the Plan at any time, but such action shall have no retroactive effect which would prejudice the interests of Participants. Participants will be sent written notice of any such amendment, modification, suspension or termination. If the Plan is terminated by the Fund, Participants will receive a certificate representing the whole number of Units held in their account, a cash payment for any fraction of a Unit and the return of any uninvested cash distributions.

All communications to the Fund or the Plan Agent and requests for information regarding the Plan, should be directed to:

**Computershare Trust Company of Canada
9th Floor, 100 University Avenue
Toronto, Ontario
M5J 2Y1**