

MATERIAL CHANGE REPORT

1. **Reporting Issuer**

TransForce Income Fund
6600 Chemin St-François
Montreal, Quebec
H4S 1B7

2. **Date of Material Change**

September 30, 2002.

3. **Press Release**

TransForce Inc. (“**TransForce**”) and TransForce Income Fund (the “**Fund**”) issued a press release with respect to the material change on September 30, 2002.

4. **Summary of Material Change**

TransForce has completed its reorganization into the Fund, which has completed its initial public offering of 12 million trust units at a price of \$8.50 per unit, for gross proceeds to the Fund of \$102 million.

5. **Full Description of Material Change**

On September 30, 2002, TransForce completed its reorganization into the Fund, an income trust which will make monthly distributions of its available cash to the holders of its units. At the same time, the Fund completed its initial public offering of 12 million trust units at a price of \$8.50 per unit, for gross proceeds to the Fund of \$102 million.

The Fund will continue to operate the transportation business of TransForce, and the former shareholders of TransForce continue to own, through the Fund, an economic interest in the business of TransForce. As a result of the reorganization, TransForce has become an indirect subsidiary of the Fund.

In connection with the reorganization, shareholders of TransForce indirectly exchanged their common shares for trust units of the Fund on the basis of one trust unit for each common share. Certain shareholders of TransForce elected to indirectly exchange their common shares for “tracking share units” of TFI Holdings Inc., an indirect subsidiary of the Fund, each consisting of one “tracking share” and one common share of TFI Holdings Inc., or for a combination of trust units and “tracking share units”.

Immediately prior to the reorganization, there were 51,898,585 common shares of TransForce issued and outstanding. As a result of the conversion of TransForce into the Fund and the initial public offering of 12 million trust units of the Fund, there are 63,898,585 trust units of the Fund issued and outstanding or reserved for issuance on the conversion of “tracking share units” of TFI Holdings Inc.

The conversion of TransForce into the Fund was approved by TransForce’s shareholders at a special shareholders’ meeting held on September 12, 2002. In connection with the conversion of TransForce into the Fund, the Quebec Superior Court granted a final order to TransForce on September 17, 2002. The Quebec Superior Court had granted an interim order to TransForce in connection with the conversion on August 1, 2002.

The initial public offering of the Fund was underwritten by a syndicate of underwriters led by National Bank Financial Inc. and Scotia Capital Inc., and including RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., Desjardins Securities Inc., TD Securities Inc. and Sprott Securities Inc.

The net proceeds from the Fund's initial public offering will be used to reduce bank indebtedness incurred by TransForce in connection with the recent acquisition of Canpar Transport Ltd. and other recent acquisitions, and to reduce existing long-term debt.

At the closing of the initial public offering on September 30, 2002, the trust units of the Fund commenced trading on the Toronto Stock Exchange under the symbol TIF.UN and the common shares of TransForce were delisted from the Toronto Stock Exchange.

6. **Reliance on Section 75(3)**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Senior Officer**

The senior officer who can answer questions regarding this report is Mr. Alain Bédard, President and Chief Executive Officer of TransForce Administration Inc., administrator of the Fund. Mr. Bédard can be reached at (514) 856-7531.

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

SIGNED the 8th day of October, 2002 at Montreal, Quebec.

(signed) Pierre Richard

Chief Financial Officer
TransForce Administration Inc., administrator of
TransForce Income Fund