



**BOSTON PIZZA ROYALTIES INCOME FUND**

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**NOTICE OF ANNUAL GENERAL MEETING OF UNITHOLDERS**

**AND**

**INFORMATION CIRCULAR**

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**ANNUAL GENERAL MEETING**

**TO BE HELD ON**

**JUNE 19, 2019**

**BOSTON PIZZA ROYALTIES INCOME FUND  
NOTICE OF ANNUAL GENERAL MEETING OF UNITHOLDERS**

**NOTICE IS HEREBY GIVEN** to holders (“**Unitholders**”) of trust units and special voting units of **BOSTON PIZZA ROYALTIES INCOME FUND** (the “**Fund**”) that the annual general meeting of Unitholders will be held at the Pan Pacific Vancouver Hotel, Oceanview Suite 1, 300-999 Canada Place, Vancouver, British Columbia on Wednesday, June 19, 2019 at 2:00 p.m. (Vancouver Time) for the following purposes:

1. to receive the audited financial statements of the Fund for the financial years ended December 31, 2018 and 2017 and the report of the auditor thereon;
2. to appoint the auditor for the Fund for the ensuing year and to authorize the trustees of the Fund to fix the remuneration of the auditor;
3. to elect trustees of the Fund to hold office until the next annual general meeting of the Fund; and
4. to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Accompanying this Notice of Meeting are: (i) the information circular in respect of the Meeting; (ii) the form of proxy for use by Unitholders in connection with the Meeting; and (iii) the reply card for use by Unitholders who wish to receive the annual and/or interim financial statements of the Fund and of Boston Pizza International Inc.

If you are a registered Unitholder and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and deposit it with Computershare Investor Services Inc., Attention: Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 before 2:00 p.m. (Vancouver time) on June 18, 2019 or not less than 24 hours, excluding Saturdays, Sundays and holidays, prior to any adjournment or postponement thereof.

If you are a non-registered Unitholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by such broker or other intermediary.

DATED this 29<sup>th</sup> day of April, 2019.

**BOSTON PIZZA ROYALTIES INCOME FUND,  
by its Administrator,  
BOSTON PIZZA ROYALTIES LIMITED  
PARTNERSHIP,  
by its general partner,  
BOSTON PIZZA GP INC.**



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W. Murray Sadler, Q.C.  
Chair of the Board of Trustees

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## BOSTON PIZZA ROYALTIES INCOME FUND

### INFORMATION CIRCULAR

DATED April 29, 2019

(Containing information as at April 29, 2019 unless otherwise noted)

### SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of Boston Pizza GP Inc. (the “**General Partner**” or “**GP**”), the managing general partner of Boston Pizza Royalties Limited Partnership (“**Royalties LP**” or the “**Administrator**”), administrator to Boston Pizza Royalties Income Fund (the “**Fund**”), on behalf of the Fund, and is to be used at the annual general meeting or any adjournment or postponement thereof (the “**Meeting**”) of holders (“**Unitholders**”) of trust units (“**Units**”) and special voting units (“**Special Voting Units**”) of the Fund (collectively, the “**Voting Units**”) at the time and place and for the purposes set forth in the Notice of Annual General Meeting of Unitholders (“**Notice of Meeting**”) accompanying this Information Circular.

It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally or by telephone, e-mail, fax or other means of telecommunication by directors, officers or employees of the General Partner at nominal cost. The cost of this solicitation will be borne by the Administrator.

### BENEFICIAL UNITHOLDERS

The information set forth in this section is important to all Unitholders. Unitholders who do not hold their Units in their own name are referred to in this Information Circular as “Beneficial Unitholders”. **Beneficial Unitholders should note that only a Unitholder whose name appears on the records of the Fund as a registered holder of Units or a person they appoint as a proxy can be recognized and vote at the Meeting.** Currently, all issued and outstanding Units are in a book-based system administered by CDS Clearing and Depository Services Inc. (“**CDS**”). Consequently, all Units are currently registered under the name of CDS & Co. (the registration name for CDS). All other holders of Units are Beneficial Unitholders. CDS also acts as nominee for brokerage firms through which Beneficial Unitholders hold their Units. **Units held by CDS can only be voted (for, withheld or against resolutions) upon the instructions of the Beneficial Unitholder.**

These meeting materials are being sent to both registered Unitholders and Beneficial Unitholders. If you are a Beneficial Unitholder, and the Fund or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the broker or other intermediary (collectively, the “**intermediary**”) holding Units on your behalf.

There are two kinds of Beneficial Unitholders: those who have objected to their name being made known to the Fund (called “**OBOs**” for Objecting Beneficial Owners) and those who have not objected (called “**NOBOs**” for Non-Objecting Beneficial Owners).

The Fund can request and obtain a list of their NOBOs from intermediaries via its transfer agent and can use this NOBO list for distribution of proxy-related materials directly to NOBOs. The Fund has decided to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a voting instruction form from the Fund’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”). These voting instruction forms are to be completed and returned to the transfer agent in the return envelope provided or by facsimile. Alternatively, NOBOs can call a toll-free number or access the transfer agent’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and vote the Units held by them. The transfer agent will tabulate the results of the voting instruction forms received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Units represented by voting instruction forms they receive. The Fund is sending these materials to NOBOs

directly under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”). By choosing to send these materials to you directly, the Fund (and not the intermediary holding Units on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

With respect to OBOs, applicable regulatory policy requires intermediaries to whom meeting materials have been sent to seek voting instructions from OBOs in advance of Unitholders’ meetings. Every intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by OBOs in order to ensure that their Units are voted at the Meeting. Often, the form of proxy supplied to an OBO by its broker is identical to that provided to registered Unitholders. However, its purpose is limited to instructing the registered Unitholder how to vote on behalf of the OBO. The majority of brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a special voting instruction form, mails those forms to the OBOs and asks for and provides appropriate instructions respecting the voting of Units to be represented at the Meeting. **Management of the Fund does not intend to pay for intermediaries to forward to OBOs under NI 54-101 the proxy-related materials and Form 54-101F7 – Request for Voting Instruction Made by Intermediary, and OBOs will not receive the materials unless the OBO’s intermediary assumes the cost of delivery. An OBO receiving a voting instruction form cannot use the form to vote Units directly at the Meeting. The voting instruction form must be returned to Broadridge or other intermediary well in advance of the Meeting in order to have the Units voted.**

**Beneficial Unitholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Units voted at the Meeting.**

#### APPOINTMENT OF PROXIES

The persons named in the accompanying form of proxy have been designated by the General Partner to act as proxyholder. A registered Unitholder who wishes to appoint some other person or company to represent such Unitholder at the Meeting may do so by inserting such person’s name, who need not be a Unitholder, in the blank space provided in the form of proxy or by completing another proper form of proxy.

A form of proxy must be in writing and signed by the registered Unitholder or by the Unitholder’s agent duly authorized in writing or, if the registered Unitholder is a body corporate, by a person duly authorized in writing indicating the capacity under which such person is signing. If the form of proxy is executed by an agent, evidence of the agent’s authority must accompany the form of proxy. An undated but executed proxy will be deemed to be dated the date of mailing of the proxy. To be valid, a proxy must be deposited with Computershare Investor Services Inc., Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by fax at 1-866-249-7775 (toll free in North America – Int’l 416-263-9524) or by telephone or internet as instructed on the form of proxy before 2:00 p.m. (Vancouver time) on June 18, 2019 or not less than 24 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement thereof, unless the Chair of the Meeting elects to exercise his or her discretion to accept proxies received subsequently.

**Beneficial Unitholders who hold their Units through an intermediary are not entitled, as such, to directly vote at the Meeting. Beneficial Unitholders who are interested in voting their Units in person should contact either Computershare (NOBOs) or their intermediary (OBOs) to determine how this can be arranged. Regulatory policy requires voting instructions to be requested from Beneficial Unitholders who have been sent materials for the Meeting. Beneficial Unitholders should carefully follow those voting instructions in order to have their Units voted at the Meeting. See “Beneficial Unitholders”.**

## REVOCATION OF PROXIES

A Unitholder who has given a form of proxy may revoke it by depositing a written instrument that is signed with Computershare in the manner as described above, at any time prior to the date of the Meeting or by depositing the instrument with the Chair of the Meeting prior to the exercise of the proxy on the day of the Meeting. A proxy may also be revoked in any other manner permitted by law.

## VOTING OF UNITS

Every matter to be dealt with at the Meeting, other than the vote to appoint the trustees of the Fund (“**Trustees**”), unless a poll vote is demanded, will be decided by a show of hands and every person present and entitled to vote will be entitled to one vote. Voting for the appointment of the Trustees will be conducted by poll. On a poll, each holder of Units will be entitled to one vote for each Unit held and each holder of Special Voting Units will be entitled to one vote for each Unit the holder would be entitled to receive if it exchanged the Class B general partner units of Royalties LP (“**Class B Units**”), the Class 2 general partner units of Boston Pizza Canada Limited Partnership (the “**Class 2 GP Units**”), Class 3 general partner units of Boston Pizza Canada Limited Partnership (the “**Class 3 GP Units**”), Class 4 general partner units of Boston Pizza Canada Limited Partnership (the “**Class 4 GP Units**”), and Class 5 general partner units of Boston Pizza Canada Limited Partnership (the “**Class 5 GP Units**”, and together with the Class B Units, Class 2 GP Units, Class 3 GP Units and Class 4 GP Units, the “**Exchangeable Units**”) held by such holder into Units on or before the applicable record date.

**The persons designated in the enclosed form of proxy will vote or withhold from voting the Voting Units in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions of the registered Unitholder as indicated on the form of proxy and, if the registered Unitholder specifies a choice with respect to any matter to be acted upon, the Voting Units will be voted accordingly. In the absence of such instructions with respect to a particular resolution or where the instructions are uncertain, the Voting Units will be voted in favour of the resolution.**

**The enclosed form of proxy confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting and with respect to other matters that may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of printing this Information Circular, neither the General Partner, the Administrator, nor the Trustees knew of any such amendment, variation or other matter which may be presented to the Meeting.**

## QUORUM

A quorum for the Meeting consists of two or more individuals present in person either holding personally or representing by proxy not less, in aggregate, than 25% of the votes attached to all outstanding Voting Units. In the event that a quorum is not present within 30 minutes after the time fixed for the Meeting, the Meeting will be adjourned to a day not less than 14 days later, at such time and place as determined by the Chair of the Meeting. If at such adjourned meeting a quorum as above defined is not present, the Unitholders present either in person or by proxy shall form a quorum and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Only registered holders of Voting Units as at the close of business on April 29, 2019 (the “**Record Date**”), who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner described herein, shall be entitled to vote or to have their Voting Units voted at the Meeting.

## Units

As of the Record Date, 21,787,763 Units are issued and outstanding. On a show of hands, each Unitholder is entitled to one vote. On a poll, each Unit carries the right to one vote per Unit held.

## Special Voting Units

As of the Record Date, 359,193,322 Special Voting Units are issued and outstanding, all of which are held, directly and indirectly, by Boston Pizza International Inc. (“BPI”). On a show of hands, each holder of Special Voting Units is entitled to one vote. On a poll, each holder of Special Voting Units is entitled to one vote for each Unit that such holder would be entitled to receive in exchange for its Exchangeable Units if such Exchangeable Units had been exchanged for Units on or before the applicable record date.

As of the Record Date, BPI holds an aggregate of 2,872,800 Class B Units (indirectly through Boston Pizza Canada Holdings Partnership), 59,184,161 Class 2 GP Units (indirectly through Boston Pizza Canada Holdings Partnership), 100,000,000 Class 3 GP Units, 100,000,000 Class 4 GP Units, 100,000,000 Class 5 GP Units and 1,000 Class 6 GP Units, representing 100% of the issued and outstanding Class B Units, Class 2 GP Units, Class 3 GP Units, Class 4 GP Units, and Class 5 GP Units, respectively. As of the Record Date, such Class B Units and Class 2 GP Units are exchangeable for 2,356,599 Units and 803,520 Units, respectively, or 3,160,119 Units in aggregate, and such Class 3 GP Units, Class 4 GP Units and Class 5 GP Units are not exchangeable into Units. Accordingly, at the Meeting the 359,193,322 Special Voting Units held, directly and indirectly, by BPI will entitle BPI to 3,160,119 votes on a poll.

## Voting Units

Except as described in this Information Circular, on each matter to be dealt with at the Meeting, the Units and Special Voting Units will vote together as a group. As of the Record Date, the issued and outstanding Voting Units entitle the holders to an aggregate of 24,947,882 votes on a poll.

To the knowledge of the Trustees and the officers of the General Partner on behalf of the Administrator to the Fund, the only persons or companies who beneficially own or exercise control or direction, directly or indirectly, over Voting Units carrying 10% or more of the voting rights attached to all outstanding Voting Units of the Fund as at the Record Date are as follows:

Name	Class of Voting Units and No. of Votes	% of Class / % of Aggregate Votes of Voting Units
BPI <sup>(1)</sup>	Special Voting Units representing 3,160,119 votes	100% of Special Voting Units / 12.7% of aggregate votes of Voting Units

<sup>(1)</sup> James Walter Treliving owns and controls BPI. In addition to the Units held by BPI, James Walter Treliving indirectly owns or controls an additional 13,000 Units.

## MATTERS TO BE ACTED UPON AT THE MEETING

### Presentation of Financial Statements

The audited consolidated financial statements of the Fund for the years ended December 31, 2018 and 2017 will be presented at the Meeting.

### Appointment and Remuneration of Auditor

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of KPMG LLP, chartered accountants, of Vancouver, British Columbia, as the auditor of the Fund to hold office until the close of the next annual general meeting of Unitholders or until a successor is appointed, and to authorize the Trustees to fix the remuneration of the auditor. For additional information on fees paid

to the auditor, see “Management – External Auditor Service Fees” in the Fund’s current annual information form. **Unless otherwise instructed, the enclosed form of proxy will be voted in favour of the appointment of KPMG LLP as the Fund’s auditor and to authorize the Trustees to fix the remuneration of the auditor.**

### **Election of Trustees**

Each of the persons elected at the Meeting as a Trustee of the Fund will hold office until the next annual general meeting of the Fund or until the Trustee’s successor is duly elected or appointed in accordance with the Amended and Restated Declaration of Trust of the Fund dated December 7, 2010 (the “**Declaration of Trust**”), unless such Trustee resigns or is otherwise removed from office earlier. **Unless otherwise instructed, the enclosed form of proxy will be voted in favour of the election of the three individuals who are nominated for election as Trustees.**

The Fund has adopted a majority voting policy with respect to the election of the Trustees, and each of the nominees for election as a Trustee has agreed to comply with this policy. Pursuant to this policy, if any nominee to act as a Trustee receives a greater number of votes “withheld” than votes “for” the nominee, the nominee will submit his or her resignation to the Board of Trustees. The Board of Trustees will decide whether to accept the resignation and will issue a press release announcing this decision (and, if the resignation is not accepted, providing an explanation of its decision) within 90 days of the Meeting. The Trustee in question will not participate in any meeting of the Board of Trustees where the resignation is considered. The Fund’s majority voting policy will not apply in respect of a contested meeting, being one where proxy material is circulated in support of one or more nominees who are not part of the proposed nominees supported by the existing Board of Trustees.

The following table sets forth certain information with respect to the three persons nominated for election as Trustees, including the number of Units beneficially owned or over which control or direction is exercised, directly or indirectly as at the date of this Information Circular. The information as to Units beneficially owned has been furnished by the respective nominees individually. W. Murray Sadler, Q.C., a Trustee since June 10, 2008, has decided not to stand for re-election at the Meeting.

<b>Name, Province and Country of Residence</b>	<b>Present Principal Occupation, Business or Employment</b>	<b>Trustee since</b>	<b>Units beneficially owned, controlled or directed</b>
David L. Merrell, FCA BC, Canada <sup>(1)</sup>	Trustee of the Fund from June 2014 to present; Corporate Director from June 2014 to present; Self-employed consultant to Grant Thornton LLP, arbitrator, estate trustee from November 2009 to present; Accountant and managing partner of the Vancouver Office of Grant Thornton LLP until his retirement from active practice in 2009	June 11, 2014	7,500

Name, Province and Country of Residence	Present Principal Occupation, Business or Employment	Trustee since	Units beneficially owned, controlled or directed
Marc Guay, ON, Canada <sup>(1)</sup>	Trustee of the Fund from June 2018 to present; Corporate Director from 2016 to present; Executive Advisor with Presidents of Enterprising Organizations from 2016 to present; President of PepsiCo Foods Canada Inc. from 2008 to 2015; President of Frito Lay Canada Inc. from 2001 to 2008	June 21, 2018	7,500
Paulina Hiebert, B.Comm, LL.B., MBA AB, Canada <sup>(2)</sup>	Corporate Director from 2016 to present; Vice President, Legal and Corporate Secretary of The Northwest Company Inc. from 2009 to 2017; Vice President, Legal and Corporate Secretary of The Brick Group Income Fund from 2002 to 2009; Associate Counsel of ATB Financial from 1997 to 2002	----	----

(1) Members of the Audit Committee of the Fund and the GP and the Governance Committee of the GP.

(2) Following the Meeting, it is expected that Paulina Hiebert will become a member of the Audit Committee of the Fund and the GP, and the Governance Committee of the GP.

The following are brief profiles of the three persons nominated for election as Trustees:

**David L. Merrell:** Mr. Merrell articulated in Winnipeg and obtained his Chartered Accountant designation in 1971. He joined what is now Grant Thornton LLP in 1978 and specialized in taxation for 16 years with the balance of his career dedicated to general audit, accounting and financial practice. In addition, Mr. Merrell served two three-year terms on Grant Thornton LLP's Policy Board, served as a Director of Grant Thornton Productivity Improvement Inc., was managing partner of both the Winnipeg and Vancouver offices and of the BC region. Mr. Merrell has served on a number of professional committees including the Council of the Manitoba CA Institute, the National Firms Committee, the Professional Conduct and the Discipline Tribunal and Chaired the Taxation Committee of Manitoba. In 2006, Mr. Merrell was elected as a Fellow of the Institute of Chartered Accountants (FCA) in British Columbia. He has also served on the Board of Directors of many organizations including Chair of the Multiple Sclerosis Society BC and Yukon Division, Director of the MS Society of Canada and Chair of the Vancouver Summer Music Festival.

**Marc Guay:** Mr. Guay retired from PepsiCo Foods Canada Inc. in 2015 after a career spanning 29 years. Over his career with PepsiCo, he held various positions in sales and general management throughout Canada and the United States. Mr. Guay was appointed the President of Frito Lay Canada Inc. in 2001 and held that position until 2008. From 2008 until his retirement in 2015, he was the President of PepsiCo Foods Canada Inc. Mr. Guay currently serves on the boards of Metro Inc. (2016 to present) and Food Banks Canada (2011 to present). He previously served on the boards of The Grocery Foundation (2009 – 2011), the Canadian Council for Aboriginal Business (2003 – 2006), Food and Consumer Products of Canada (2001 – 2014) and the Breast Cancer Society of Canada (2017). Since 2016, Mr. Guay has also been an Executive Advisor with Presidents of Enterprising Organizations. Mr. Guay holds a Bachelor's degree in Commerce from École des Hautes Études Commerciales (Université de Montréal) and completed an Advanced Executive Program at the Kellogg School of Business at Northwestern University (Chicago). Mr. Guay is a graduate of the Directors Education Program of the Institute of Corporate Directors.

**Paulina Hiebert:** Ms. Hiebert is the former Vice President Legal and Corporate Secretary of The Northwest Company Inc., serving in this position from 2009 through 2017. Prior to that, Ms. Hiebert was the Vice President Legal and Corporate Secretary for The Brick Group Income Fund (2002 to 2009) and Vice President and Chief Compliance Officer for Trans Global Insurance Companies, the financial services segment of The Brick Group (2004 to 2009). She began her legal career in 1994 with Milner Fenerty (now Dentons LLP) after holding senior finance positions in the banking, financial services and venture capital industries for 7 years (1984 to 1991). She left private practice in 1997 and joined ATB Financial as Associate Counsel, Legal Services, which position she held until 2002. Ms. Hiebert currently serves as Vice Chair of the Board of Directors of the Alberta Credit Union Deposit Guarantee Corporation (2016 to present). Ms. Hiebert holds a Bachelor of Commerce degree and Bachelor of Laws degree (with distinction) from the University of Saskatchewan and a Masters of Business Administration degree (with distinction) from the Richard Ivey School of Business at the University of Western Ontario. She is a member of the Law Society of Alberta and the Law Society of Manitoba.

None of the nominees for election as a Trustee named above are or have been during the past ten years:

- (a) a director, chief executive officer or chief financial officer of any issuer (including the Fund) that:
  - (i) was subject to a cease trade, similar order or an order that denied that issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days that was issued while the Trustee was acting in the capacity of a director, chief executive officer or chief financial officer;
  - (ii) was subject to a cease trade order, similar order or order that denied the relevant issuer access to any exemption under Canadian securities legislation for a period of more than 30 consecutive days that was issued after the Trustee ceased to be a director, chief executive officer or chief financial officer of the issuer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) a director or executive officer of any issuer (including the Fund) while that person was acting in that capacity or 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 was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets except for Mr. Marc Guay, who was a director of Trusted Health Group Inc. until May 13, 2016 for which a receiver was appointed on November 28, 2016; or
- (c) 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 their assets.

In addition, none of the nominees for election as a Trustee named above has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable unitholder in deciding whether to vote for a nominee as Trustee.

#### **Other Matters**

As of the date hereof, neither the Trustees nor the directors and officers of the General Partner, on behalf of the Administrator, know of any matter which will be brought before the Meeting other than those referred to herein.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Trustees and the directors and officers of the General Partner of the Administrator are aware of their responsibility for corporate governance and recognize the importance of enhancing corporate governance practices at both the Fund and Royalties LP levels. As part of the Fund's commitment to effective corporate governance, the Trustees, with the assistance of the Governance Committee of the General Partner, monitor changes in corporate governance practices and regulatory requirements.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) the Fund is required to disclose certain information relating to its corporate governance practices. This information is set out in Schedule A to this Information Circular.

### Role of the Trustees

The Fund is a limited purpose, open-ended trust established under the laws of British Columbia. On July 17, 2002, concurrently with its initial public offering, the Fund acquired indirectly through Royalties LP certain trademarks and trade names used by BPI in the operation and franchising of Boston Pizza Restaurants in Canada. Immediately after the acquisition, Royalties LP licensed the trademarks and trade names back to BPI for 99 years under a license and royalty agreement dated July 17, 2002, as amended as of May 9, 2005 (the “**License and Royalty Agreement**”) pursuant to which Royalties LP receives royalty payments from BPI. On May 6, 2015, the Fund, indirectly through Boston Pizza Holdings Limited Partnership (“**Holdings LP**”), completed an investment in Boston Pizza Canada Limited Partnership (“**BP Canada LP**”) to effectively increase the Fund's interest in franchise sales of Boston Pizza restaurants in the Fund's royalty pool by 1.5%, from 4.0% to 5.5%, less the pro rata portion payable to BPI in respect of its retained interest (the “**Transaction**”). BP Canada LP is a limited partnership controlled and operated by BPI and is the exclusive franchisor of Boston Pizza restaurants in Canada. The Fund does not conduct any active business. The role of the Trustees is primarily to act on behalf of the Fund as sole unitholder and noteholder of Boston Pizza Holdings Trust (the “**Trust**”) and sole shareholder of Boston Pizza Holdings GP Inc. (“**Holdings GP**”), and to manage the limited affairs of the Fund. The role of the trustee of the Trust is to act on behalf of the Trust as the sole owner of the limited partner units of Holdings LP and to manage the limited affairs of the Trust. The role of the directors of Holdings GP is to act on behalf of Holdings GP, as the sole general partner of Holdings LP, who is the sole owner of limited partner units of Royalties LP and BP Canada LP, and to manage the limited affairs of Holdings GP and Holdings LP.

The Fund, the Trust, Holdings GP and Holdings LP have delegated to Royalties LP under the amended and restated administration agreement dated September 22, 2008 (the “**Administration Agreement**”), summarized below, certain administrative duties that would otherwise fall upon the Trustees, the trustee of the Trust and the directors of Holdings GP.

### Administration Agreement

Under the Administration Agreement, Royalties LP has agreed to provide or arrange for the provision of administrative services to the Fund, the Trust, Holdings GP and Holdings LP. With respect to the Fund the administrative services provided by Royalties LP include those necessary to: (i) ensure compliance by the Fund with continuous disclosure obligations under applicable securities legislation, including the preparation of financial statements relating thereto; (ii) provide investor relations services; (iii) provide or cause to be provided to Unitholders all information to which Unitholders are entitled under the Declaration of Trust, including relevant information with respect to income taxes; (iv) call and hold all meetings of Unitholders and distribute required materials, including notices of meetings and information circulars, in respect of all such meetings; (v) provide for the calculation of distributions to Unitholders; (vi) attend to all administrative and other matters arising in connection with any redemption of Units; (vii) ensure compliance with the Fund's limitations on non-resident ownership; and (viii) meet general accounting and administrative needs. Royalties LP is obligated to pay all expenses incurred by it and attributable to the exercise of its duties in the administration of the Fund, the Trust, Holdings GP and Holdings LP and no fee is payable to Royalties LP for the services provided by it to the Fund, the Trust, Holdings GP or Holdings LP under the Administration Agreement.

## Role of Royalties LP in Corporate Governance

Since the Fund does not carry on an active business and since the responsibility for the administration and management of the day-to-day operations of the Fund has been delegated to Royalties LP, the governance matters addressed in the National Policy 58-201 – *Corporate Governance Guidelines* are matters dealt with by Royalties LP, through the General Partner. The General Partner has the authority to manage the business and affairs of Royalties LP, including the authority to carry out Royalties LP's obligations under the Administration Agreement. Thus, the Fund is managed and administered by Royalties LP which, in turn, is managed by the General Partner. Certain matters relating to the conduct of the business and affairs of the General Partner are provided for in an amended and restated governance agreement dated September 29, 2017 (the "**Governance Agreement**") among BPI, the Fund, and certain of their associates and affiliates. BPI and the Fund are, respectively, 20% and 80% holders of the common shares of the General Partner. The relevant terms of the Governance Agreement are described below.

### Governance Agreement

Under the Governance Agreement, three of the directors of the General Partner are nominated by the Fund (each of whom may be a Trustee and must be "independent" within the meaning of section 1.2 of NI 58-101 in effect on September 29, 2017) and, for so long as BPI holds a 10% interest in the Fund, whether directly or indirectly through its Exchangeable Units, each of which are exchangeable for Units, two of the directors are nominated by BPI. In addition, the Governance Agreement provides for the establishment of an Audit Committee and a Governance Committee of the General Partner, each of which are to be comprised solely of nominees of the Fund.

As the General Partner of Royalties LP, the General Partner has the authority to manage the business and affairs of Royalties LP, including the authority to carry out Royalties LP's obligations under the Administration Agreement. Thus, the Fund is managed and administered by Royalties LP which, in turn, is managed by the General Partner. Certain matters relating to the conduct of the business and affairs of the General Partner are provided for in the Governance Agreement.

The names, province of residence and principal occupation for the five preceding years of the directors and officers of the General Partner are set out in the table below:

<b><u>Directors and Officers, Province of Residence</u></b>	<b><u>Office Held</u></b>	<b><u>Principal Occupation for Previous Five Years</u></b>
W. Murray Sadler, Q.C. <sup>(1)(2)(3)</sup> British Columbia, Canada	Director, June 2008	Trustee of the Fund from June 2008 to present; Corporate Director from June 2008 to present; Lawyer and associate counsel of the law firm of Heather Sadler Jenkins LLP until his retirement from active legal practice in 2013
David L. Merrell, FCA <sup>(1)(2)</sup> British Columbia, Canada	Director, June 2014	Trustee of the Fund from June 2014 to present; Corporate Director from June 2014 to present; Self-employed consultant to Grant Thornton LLP, arbitrator, estate trustee from November 2009 to present
Marc Guay <sup>(1)(2)</sup> Oakville, Ontario	Director, June 2018	Trustee of the Fund from June 2018 to present; Corporate Director from June 2018 to present; Serves on the Board of Metro Inc. from April 2016 to present; Executive Advisor to Presidents of Enterprising Organization from April 2016 to present; President of PepsiCo Canada from May 1986 to August 2015

<b><u>Directors and Officers, Province of Residence</u></b>	<b><u>Office Held</u></b>	<b><u>Principal Occupation for Previous Five Years</u></b>
Jordan Holm <sup>(4)</sup> British Columbia, Canada	Director and President, November 2017	Director, Investor Relations of T & M Management Services Ltd. from May 2006 to January 2010; Vice President, Investor Relations of T & M Management Services Ltd. from January 2010 to October 2014; Senior Vice President, Investor Relations & Corporate Communications of BPI from October 2014 to October 2016; Executive Vice President, Marketing and Communications of BPI from October 2016 to October 2017; President of BPI from November 2017 to present
Robert Kirincic <sup>(4)</sup> British Columbia, Canada	Director and Vice President, Finance, January 2019	Director of Finance of BPI from August 2010 to June 2012; Senior Director of Finance BPI from July 2012 to January 2015; Corporate Controller of BPI from January 2015 to January 2018; Vice President, Finance of Treliving Management Services Ltd. from January 2018 to present

(1) Also a Trustee of the Fund.

(2) Nominee of the Fund and Member of the Audit Committee and the Governance Committee.

(3) On June 19, 2019, W. Murray Sadler, Q.C. will cease to be director and officer of the General Partner.

(4) Nominee of BPI.

The Audit Committee is responsible for monitoring the General Partner and Royalties LP's financial reporting, accounting systems, internal controls and liaising with external auditors. For additional information relating to the Audit Committee of the Fund, see "Management – Audit Committee of the Fund" in the Fund's current annual information form. The Governance Committee is responsible for, among other things, overseeing the operations of Royalties LP, addressing any conflicts of interest between Royalties LP and BPI, annually reviewing the operations and performance of BPI and assisting the board of directors of the General Partner in establishing its approach to corporate governance issues and advising the board of directors of the General Partner in filling vacancies on its board. The corporate governance practices of the Fund and General Partner are discussed in detail in Schedule A to this Information Circular.

## **MANAGEMENT CONTRACTS**

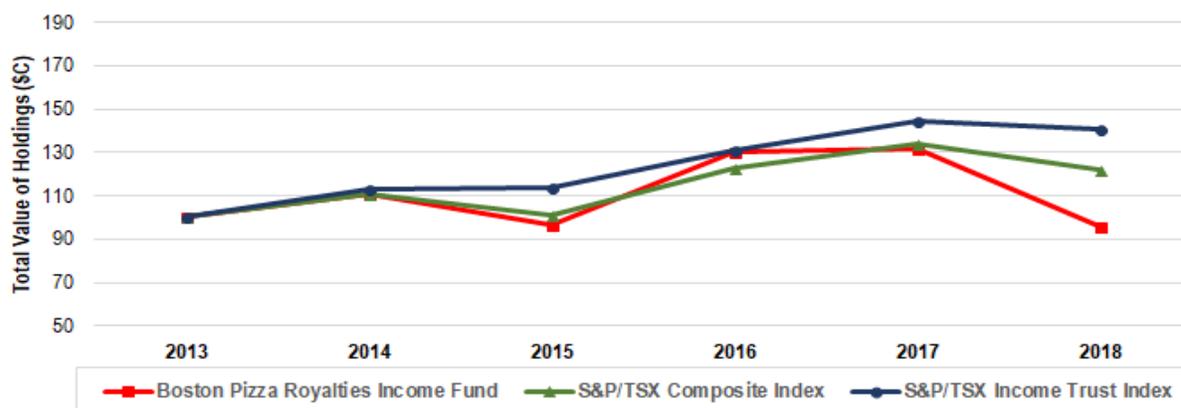
As indicated above under the heading "Statement of Corporate Governance Practices – Administration Agreement", the Fund has entered into the Administration Agreement whereby the Fund delegated to Royalties LP certain management functions of the Fund. Royalties LP is not entitled to the payment of any fee for its services as Administrator to the Fund. Under the amended and restated limited partnership agreement dated January 2, 2011, as amended on September 27, 2017, Royalties LP is entitled to delegate certain of its administrative services to third parties, including BPI as general partner of Royalties LP. Those third parties, including BPI, are entitled to be reimbursed by Royalties LP for their out-of-pocket costs for performing such services. The address of Royalties LP and the General Partner is 100 – 10760 Shellbridge Way, Richmond, BC, V6X 3H1.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Cumulative Total Unitholder Return**

The graph below shows the Fund's cumulative total Unitholder return over the five most recently completed financial years (assuming reinvestment of distributions of Units).

### 5-Year Total Return Comparison



### Compensation of Trustees and Directors of the General Partner

#### Trustee/Director Compensation Table for the Financial Year Ended December 31, 2018

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total (\$)
(a)	(b)	(c)	(d)	(e)		(f)	(g)	(h)
William Brown, <sup>(1)</sup> Trustee of the Fund and Director of GP	40,000	0	0	0	0	0	0	40,000
W. Murray Sadler, Q.C., Trustee of the Fund and Director of GP	72,000	0	0	0	0	0	2,000	74,000
David L. Merrell, Trustee of the Fund and Director of GP	72,000	0	0	0	0	0	2,000	74,000
Marc Guay, <sup>(2)</sup> Trustee of the Fund and Director of GP	32,000	0	0	0	0	0	2,000	34,000
Jordan Holm, Director of GP	0	0	0	0	0	0	0	0
Wes Bews, <sup>(3)</sup> Director of GP	0	0	0	0	0	0	0	0

(1) Mr. Brown served as a Trustee of the Fund and a director of the General Partner from June 10, 2002 to June 21, 2018.

(2) Mr. Guay served as a Trustee of the Fund and a director of the General Partner from June 21, 2018 to present.

(3) Mr. Bews served as a director of the General Partner from December 16, 2010 to December 31, 2018.

Each of the Trustees is entitled to annual compensation of \$26,000 plus an additional \$1,000 for each regularly scheduled meeting of Trustees attended and \$500 for each extraordinary meeting of the Trustees attended, unless the extraordinary meeting is deemed to be substantive, as determined by the Chairman

of such meeting, then each Trustee is entitled to \$1,000 for each extraordinary meeting of the Trustees attended. Each of the directors of the General Partner is entitled to annual compensation for their services as a director of \$26,000 per year plus an additional \$1,000 for attending each regularly scheduled meeting of the board of directors and \$500 for attending each extraordinary meeting of the board of directors or a committee of the board of directors, unless the extraordinary meeting is deemed to be substantive, as determined by the Chairman of such meeting, then each director is entitled to \$1,000 for each extraordinary meeting of the directors attended (in each case, except where the director attends a meeting of the Trustees on the same day and for which compensation is paid to that director). Each of the directors of the General Partner is reimbursed for general expenses as they arise from time to time. The aggregate amount paid to the Trustees as compensation, for acting as Trustees and directors of the General Partner, during the financial year ended December 31, 2018 was \$222,000. Neither of the officers of BPI who are directors of the General Partner are entitled to receive compensation for their roles as directors of the General Partner.

The Trustees are reimbursed for expenses such as travel and meals. In 2018 the Trustees were reimbursed an aggregate amount of \$19,614 for these expenses.

### **No Additional Executive Compensation**

Neither the Fund, nor the Administrator employs any person and no officer of the General Partner receives any compensation for holding any office. The Fund has not adopted any compensation plans under which equity securities of the Fund are authorized for issuance. The Fund does not prohibit the Trustees from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by a Trustee.

### **Attendance Record for Board Meetings**

From January 1, 2018 to the date of this Information Circular (the “**Attendance Period**”):

- (i) the Board of Trustees held 10 meetings;
- (ii) the Board of GP held seven meetings;
- (iii) the Audit Committee of the Fund held five meetings;
- (iv) the Audit Committee of GP held five meetings; and
- (v) the Governance Committee of GP held 20 meetings.

Attendance at meetings of the Trustees was as follows:

NAME OF TRUSTEE	NUMBER OF MEETINGS ATTENDED	
	Board	Audit Committee
William Brown <sup>(1)</sup>	3 of 3	2 of 2
W. Murray Sadler, Q.C.	10 of 10	5 of 5
David L. Merrell	10 of 10	5 of 5
Marc Guay <sup>(2)</sup>	7 of 7	3 of 3

(1) During the Attendance Period, Mr. Brown served as a Trustee of the Fund from January 1, 2018 to June 21, 2018 and there were three board meetings and two Audit Committee meetings during such time.  
(2) Mr. Guay was elected a Trustee of the Fund on June 21, 2018. During the Attendance Period, there were seven board meetings and three Audit Committee meetings while Mr. Guay served as a Trustee of the Fund.

Attendance at meetings of the Directors of GP was as follows:

NAME OF DIRECTOR	NUMBER OF MEETINGS ATTENDED		
	Board	Audit Committee	Governance Committee <sup>(1)</sup>
William Brown <sup>(1)</sup>	3 of 3	2 of 2	12 of 12
W. Murray Sadler, Q.C.	7 of 7	5 of 5	20 of 20
David L. Merrell	7 of 7	5 of 5	20 of 20
Marc Guay <sup>(2)</sup>	4 of 4	3 of 3	8 of 8
Jordan Holm	7 of 7	N/A	N/A
Wes Bews <sup>(3)</sup>	5 of 5	N/A	N/A
Robert Kirincic <sup>(4)</sup>	2 of 2	N/A	N/A

(1) During the Attendance Period, Mr. Brown served as a director of GP from January 1, 2018 to June 21, 2018 and there were three board meetings, two audit committee meetings and 12 Governance Committee meetings during such time.

(2) Mr. Guay was elected a director of the GP on June 21, 2018. During the Attendance Period, there were four board meetings, three audit committee meetings and eight Governance Committee meetings while Mr. Guay served as a director of the GP.

(3) During the Attendance Period, Mr. Bews served as a director of the GP from January 1, 2018 to December 31, 2018 and there were five board meetings during such time.

(4) Mr. Kirincic was elected a director of GP on January 1, 2019. During the Attendance Period, there were two board meetings while Mr. Kirincic served as a director of GP.

#### **INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS**

None of the Trustees, proposed nominees for election as Trustees, directors or officers of the General Partner, nor any associates of such persons is or has been indebted to the Fund or any of its subsidiaries or Royalties LP at any time since the beginning of the fiscal year ended December 31, 2018, nor have they been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Fund, Royalties LP or the General Partner.

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

The Trustees and the directors and officers of the General Partner are covered under the directors' and officers' insurance policy established by the Fund. The aggregate limit of liability applicable to those insured Trustees, directors and officers under the policy is \$15 million inclusive of defence costs. The policy will pay on behalf of the General Partner all losses for which the General Partner grants indemnification to such directors in excess of a deductible of \$100,000 for each loss. In addition, there is an excess "Side A" directors' and officers' policy in the amount of \$10 million. The premiums for the policies are paid by Royalties LP. For the policy year ending July 2019, the premiums for these policies were \$78,000.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

None of the Trustees, directors or senior officers of the General Partner or of the Administrator to the Fund, nominees for election as Trustees nor persons who have been Trustees or directors or officers of the General Partner since the commencement of the Fund's last financial year and no associate or affiliate of any of the foregoing persons has any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of Trustees or the appointment of auditors or as otherwise disclosed herein.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Information Circular, the consolidated financial statements of each of the Fund and BPI for the fiscal years ended December 31, 2018 and 2017 and the Fund's annual information form dated February 13, 2019, the Fund is not aware of any direct or indirect material interest of any informed person, Trustee or proposed nominee for election as a Trustee, or any associate or affiliate of any such persons in any transaction since the commencement of the Fund's most recently completed financial year or any proposed transaction, which has materially affected or would materially affect the Fund or its subsidiaries. For the purposes of the foregoing an informed person includes the Trustees, directors and executive officers of the General Partner and any subsidiaries of the Fund, a holder of 10% or more of the outstanding Voting Units and the Fund. Copies of this Information Circular, the consolidated financial statements of each of the Fund and BPI for the fiscal years ended December 31, 2018 and 2017 and the Fund's annual information form dated February 13, 2019 may be found on SEDAR at [www.sedar.com](http://www.sedar.com), and, upon request by a Unitholder, may be obtained free of charge from the Director of Investor Relations for the Fund at 100 – 10760 Shellbridge Way, Richmond, British Columbia, Canada, V6X 3H1.

## ADDITIONAL INFORMATION

Additional information relating to the Fund is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Fund and BPI's respective comparative annual financial statements and related management's discussion and analysis for the year ended December 31, 2018. Copies of these documents may be obtained upon request from the Director of Investor Relations for the Fund at 100 – 10760 Shellbridge Way, Richmond, British Columbia, Canada, V6X 3H1 or may be found at [www.bpincomefund.com](http://www.bpincomefund.com) or [www.sedar.com](http://www.sedar.com). A person who is not a Unitholder may be required to pay a reasonable charge for such copies.

## TRUSTEES' APPROVAL

The contents and the sending of this Information Circular and related documents have been approved by the Trustees and by the General Partner on behalf of Royalties LP, in its capacity as Administrator to the Fund.

DATED at Vancouver, British Columbia, this 29<sup>th</sup> day of April, 2019.

**BOSTON PIZZA ROYALTIES INCOME FUND,  
by its Administrator,  
BOSTON PIZZA ROYALTIES LIMITED PARTNERSHIP,  
by its general partner,  
BOSTON PIZZA GP INC.**



---

W. Murray Sadler, Q.C.  
Chair of the Board

**SCHEDULE A**

**BOSTON PIZZA ROYALTIES INCOME FUND  
CORPORATE GOVERNANCE DISCLOSURE**

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
1.	<b>Board of Trustees -</b>	
	(a) Disclose the identity of trustees who are independent.	<p>The board of Trustees (the “<b>Board</b>”) has determined that all of the three Trustees are “independent”, within the meaning of NI 58-101. The three independent Trustees are:</p> <ul style="list-style-type: none"> <li>• David L. Merrell</li> <li>• Marc Guay</li> <li>• If elected at the Meeting, Paulina Hiebert will be determined to be “independent”.</li> </ul>
	(b) Disclose the identity of trustees who are not independent, and describe the basis for that determination.	The Board has determined that all three Trustees are “independent”, or in the case of Paulina Hiebert, will be independent, within the meaning of NI 58-101.
	(c) Disclose whether or not a majority of trustees are independent. If a majority of trustees are not independent, describe what the board of trustees does to facilitate its exercise of independent judgement in carrying out its responsibilities.	The Board has determined that all three Trustees are “independent”, or in the case of Paulina Hiebert, will be independent, within the meaning of NI 58-101.
	(d) If a trustee is presently a trustee or director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the trustee and the other issuer.	<ul style="list-style-type: none"> <li>• Marc Guay, is currently a director of Metro Inc.</li> <li>• If elected at the Meeting, Paulina Hiebert is currently the Vice Chair of the Board of Directors of the Alberta Credit Union Deposit Guarantee Corporation.</li> </ul>
	(e) Disclose whether or not the independent trustees hold regularly scheduled meetings at which non-independent trustees and members of management are not in attendance. If the independent trustees hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent trustees do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent trustees.	<p>Since all the Trustees are independent, each meeting of the Board is a meeting comprised solely of independent trustees.</p> <p>During the financial year ended December 31, 2018, there were five meetings of the independent Trustees, four meetings of the Audit Committee and 12 meetings of the Governance Committee (as defined herein).</p> <p>In addition, the members of the Board are authorized to retain independent financial, legal and other experts as required whenever, in their opinion, matters come before the Board which require an independent analysis by the independent members of the Board.</p>
	(f) Disclose whether or not the chair of the board is an independent trustee. If the board has a chair or lead trustee who is an independent	W. Murray Sadler, Q.C., the Chair of the Board (the “ <b>Chair</b> ”), is an independent Trustee.

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
	trustee, disclose the identity of the independent chair or lead trustee, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead trustee that is independent, describe what the board does to provide leadership for its independent trustees.	<p>The role and responsibilities of the Chair include the following:</p> <ul style="list-style-type: none"> <li>• manage the affairs of the Board;</li> <li>• act as chair of all Board meetings;</li> <li>• ensure that the Board has taken ultimate responsibility for the Fund’s business and affairs and that the Board is alert to its obligations to the Fund, the Unitholders, other stakeholders and under the law;</li> <li>• provide strong leadership of the Board, assist the Board in reviewing and monitoring the aims, strategy, policy and directions of the Fund and the achievement of its objectives;</li> <li>• ensure that the Board considers the composition of the Board on an annual basis and recommends criteria for new Trustees when applicable;</li> <li>• ensure that Board meetings are conducted in an efficient, effective and focused manner; and</li> <li>• ensure that the governance committee of the General Partner (the “<b>Governance Committee</b>”) meets as required pursuant to the terms of the Governance Agreement.</li> </ul> <p>Following the Meeting, the Trustees will appoint one of the Trustees to be the new Chair and that person will be determined to be an independent Trustee, with the same role and responsibilities as the previous Chair.</p>
	(g) Disclose the attendance record of each trustee for all board meetings held since the beginning of the issuer’s most recently completed financial year.	The attendance record of each Trustee for all Board meetings held since January 1, 2018 to the date of this Information Circular is set out in this Information Circular under the heading “Statement of Executive Compensation – Attendance Record for Board Meetings”.
2.	<b>Board Mandate</b> — Disclose the text of the board’s written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.	<p>The Declaration of Trust governing the Fund provides that the Trustees are obligated to “act honestly and in good faith with a view to the best interests of the Fund and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances”.</p> <p>Although many of the administrative and management duties of the Trustees have been delegated to Royalties LP, as Administrator to the Fund, the Trustees remain responsible for</p>

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
		<p>supervising and directing the performance of such duties by the GP and BPI (the general partners of Royalties LP) and for questioning and monitoring the management of GP and BPI in order to obtain the information necessary to judge whether Royalties LP is fulfilling its role as Administrator of the Fund effectively. In addition, the Trustees must satisfy those duties which have not been or cannot, under law or under the Declaration of Trust, be delegated to Royalties LP, including the Trustees' duty to approve of monthly distributions on Units of the Fund.</p> <p>The Fund has contractual rights to receive reports on and inspect and monitor aspects of BPI's business. The purpose of these contractual rights are to protect the Fund's sources of revenue, which are dependent on (a) the protection of the intellectual property assets of Royalties LP; (b) BPI's ability to pay the royalty; and (c) Boston Pizza Canada Limited Partnership's ability to pay distributions. Neither the Trustees, nor the Fund, have the authority to manage or direct the business of BPI.</p> <p>The text of the Terms of Reference for the Board of GP and the Terms of Reference for a Trustee of the Fund are attached as Schedule B to this Information Circular.</p>
3.	<b>Position Descriptions —</b>	
	(a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.	<p>The Board has developed a written position description for the Chair of the Board.</p> <p>No formal written position description has been developed for the Chair of the Audit Committee of the Fund, the Chair of the Audit Committee of GP or the Chair of the Governance Committee. The role and responsibilities of the Chair of the Audit Committee of the Fund, the Chair of the Audit Committee of GP and the Chair of the Governance Committee are delineated by the board of directors of the GP, in conjunction with the Trustees.</p>
	(b) Disclose whether or not the board and President have developed a written position description for the President. If the board and President have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the President.	<p>The Fund does not conduct any active business nor does it have any full time employees. The Fund is managed by the GP on behalf of the Administrator. The corporate objectives of the GP are reviewed and approved by the board of directors of GP. All three Trustees are elected to the board of directors of GP.</p> <p>No formal written position description has been developed for the President of GP. The role and</p>

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
		responsibilities of the President of GP are delineated by the board of directors of GP, in conjunction with the Trustees.
4.	<b>Orientation and Continuing Education —</b>	
	<p>(a) Briefly describe what measures the board takes to orient new trustees regarding</p> <ul style="list-style-type: none"> <li>(i) the role of the board, its committees and its trustees, and</li> <li>(ii) the nature and operation of the issuer's business.</li> </ul>	<p>The Board, from time to time, reviews, monitors and makes recommendations regarding new Trustee orientation and the ongoing development of existing Board members. The objective is to ensure that each Trustee:</p> <ol style="list-style-type: none"> <li>1. stays knowledgeable about BPI's products, services and industry;</li> <li>2. maintains a current understanding of the regulatory and legislative environment and the business, social and political environment within which Boston Pizza and the Fund operate;</li> <li>3. develops a familiarity and knowledge of the key officers and management group of BPI; and</li> <li>4. seeks independent advice from outside advisors when necessary.</li> </ol> <p>All new Trustees are provided with a baseline of knowledge about the Fund and its operating company which serves as a basis for informed decision-making. This includes a combination of written materials, meetings with senior management of the operating company, site visits and other briefings and training, as appropriate. All new Trustees are provided with a "Guidelines, Structure and Policies" mandate that sets out the responsibilities of the Board.</p>
	(b) Briefly describe what measures, if any, the board takes to provide continuing education for its trustees. If the board does not provide continuing education, describe how the board ensures that its trustees maintain the skill and knowledge necessary to meet their obligations as trustees.	BPI provides Trustees with industry publications which can provide timely and appropriate information on BPI, the Fund and the general financial/economic climate, as well as ensuring that the Trustees' knowledge and understanding of the Fund's affairs remains current.

	GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101	COMMENTS
5.	<b>Ethical Business Conduct —</b>	
	<p>(a) Disclose whether or not the board has adopted a written code for the trustees, officers and employees. If the board has adopted a written code:</p> <p>(i) disclose how a person or company may obtain a copy of the code;</p> <p>(ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and</p> <p>(iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a trustee or executive officer that constitutes a departure from the code.</p>	<p>The Board has adopted a Code of Ethics for Trustees (the "<b>Code</b>"). A copy of the Code may be obtained, upon request, from the Director of Investor Relations for the Fund at 100 – 10760 Shellbridge Way, Richmond, British Columbia, Canada, V6X 3H1. The most recent version of the Code was filed on SEDAR on April 24, 2018 and is available at <a href="http://www.sedar.com">www.sedar.com</a>.</p> <p>The Board expects the Trustees to act ethically at all times and to acknowledge their adherence to the policies comprising the Code. Any material issues regarding compliance with the Code are brought forward to the Chair of the Board at either the Board or appropriate committee meetings, or are referred to the President of BPI, as may be appropriate in the circumstances. The Board and/or appropriate committee or senior executive officers determine what remedial steps, if any, are required.</p>
	<p>(b) Describe any steps the board takes to ensure trustees exercise independent judgement in considering transactions and agreements in respect of which a trustee or executive officer has a material interest.</p>	<p>The Board has adopted a Conflict of Interest Policy for the Fund. It is anticipated that the Trustees and the directors of GP may from time to time pursue personal and private business interests and ventures and participate in other forms of decision-making organizations. In doing so, each Trustee of the Fund and directors of GP must adhere to the Conflict of Interest Policy to ensure that such activities do not conflict with the interests of the Fund and the GP.</p> <p>The Conflict of Interest Policy shall not relieve any Trustee of the Fund or director or officer of GP from complying with any applicable laws, statutes, regulations, by-laws and rules.</p> <p>This policy provides:</p> <ol style="list-style-type: none"> <li>1. Where, in the opinion of the Board, a conflict of interest exists or may arise, the Trustee of the Fund or director of GP with whom the conflict exists shall, upon request of the Board dispose of any ownership, interest or profit participation or become disassociated from the interest, venture or organization as may be directed.</li> <li>2. Each Trustee of the Fund and director of GP who participates in any transaction either as an individual or as a member of another organization which is of the kind of transaction in which the Fund engages, unless otherwise</li> </ol>

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
		<p>excused by the Board, shall promptly disclose such participation to the Board.</p> <p>3. Each Trustee of the Fund and each director of GP who has any material direct or indirect ownership, interest or profit participation in outside business enterprises who may have dealings with the Fund shall disclose such interest in writing as aforesaid to the Board.</p> <p>4. No Trustee of the Fund or director of GP shall accept any gift or hospitality of material value offered or tendered by virtue of their position with the Fund or GP. While expensive gifts and hospitality are never to be accepted, it should be borne in mind that materiality may be determined not only by worth, but by circumstances surrounding the giving and acceptance.</p> <p>5. Every Trustee of the Fund and director of GP shall, by June 30th of each year, complete the Conflict of Interest Statement and return it to the Board.</p> <p>6. No loans shall be made by the Fund or GP to any related party of the Fund or GP without the prior approval of the Board.</p>
	(c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.	<p>The Board has reviewed and approved Disclosure Policy Controls and Procedures for the Fund, in order to promote consistent disclosure practices aimed at informative, timely and broadly disseminated disclosure of material information to the market, in accordance with applicable securities legislation.</p> <p>The Board has also reviewed and approved a Whistleblower Policy, to promote, among other things, the disclosure and reporting of any serious weaknesses which may affect the financial stability and assets of the Fund and BPI.</p>
6.	<b>Nomination of Trustees —</b>	
	<p>(a) Describe the process by which the board identifies new candidates for board nomination.</p> <p>(b) Disclose whether or not the board has a nominating committee composed entirely of independent trustees. If the board does not have a nominating committee composed entirely of independent trustees, describe what steps the board takes to encourage an objective nomination process.</p>	<p>The Board develops and updates a long term plan for the composition of the Board that takes into consideration the current strengths, skills and experience on the Board, retirement dates and the strategic direction of the Fund. The objective of this review is to maintain the composition of the Board in a way that provides, in the judgement of the Board, the best mix of competencies, skills and experience to provide for the overall stewardship of the Fund. All Trustees comprising the Board are</p>

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
	(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	independent. The Board does not have a stand-alone nomination committee.
7.	<b>Compensation —</b>	
	<p>(a) Describe the process by which the board determines the compensation for the issuer's trustees and officers.</p> <p>(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent trustees, describe what steps the board takes to ensure an objective process for determining such compensation.</p> <p>(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The Board has determined that the Trustees should be compensated in a form and amount which is appropriate and which is customary for comparative organizations, having regard for such matters as time commitment, responsibility and trends in trustee compensation.</p> <p>The Fund has no officers or employees and is managed by the General Partner on behalf of Royalties LP pursuant to the Administration Agreement. The Board, which is comprised of all independent Trustees, annually reviews and approves the compensation of the Trustees and the directors of GP. The Board does not have a stand-alone compensation committee.</p>
8.	<b>Other Board Committees —</b> If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	<p>The Board has an Audit Committee. For further information regarding the Fund's Audit Committee, including the relevant education and experience of the committee members, see "Management - Audit Committee of the Fund" in the Fund's annual information form for the financial year ended December 31, 2018. A copy of annual information form may be found at <a href="http://www.sedar.com">www.sedar.com</a>, and upon request, may be obtained from the Director of Investor Relations for the Fund at 100 – 10760 Shellbridge Way, Richmond, British Columbia, Canada, V6X 3H1.</p> <p>The board of directors of GP has no committees other than the Audit Committee and the Governance Committee.</p>
9.	<b>Assessments —</b> Disclose whether or not the board, its committees and individual trustees are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual trustees are performing effectively.	<p>The Board conducts self and peer assessments. The objective of the assessments is to ensure the continued effectiveness of the Board in the execution of its responsibilities and to contribute to a process of continuing improvement. Additionally, the Board receives periodic feedback from BPI on its overall performance, effectiveness and contribution of the Board and each committee, the Chair and each Trustee, and reporting on such assessments to the Board.</p>
10.	<b>Trustee Term Limits and Other Mechanisms of Board Renewal —</b> Disclose whether or not the issuer has adopted term limits for the trustees on its board or other mechanisms of board renewal and, if so, include a description	<p>In order to ensure periodic refreshment of the Board, as a means to foster the sharing of diverse perspectives in the boardroom and the generation of new ideas and business strategies, balanced by the appropriate in-depth experience, knowledge and understanding of</p>

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
	<p>of those trustee term limits or other mechanisms of board renewal. If the issuer has not adopted trustee term limits or other mechanisms of board renewal, disclose why it has not done so.</p>	<p>the Fund and BPI and their respective businesses, the Fund has adopted a guideline under which it is expected that each Trustee will have a tenure of approximately six to 10 years, and that at any given time, the Board should ideally be comprised of (i) one-third of the Trustees having less than three years of tenure, (ii) one-third of the Trustees having three to six years of tenure, and (iii) one-third of the Trustees having more than six years of tenure. The Board may depart from this tenure guideline if after taking into account the Trustees' experience, skills and tenure, the Board determines that it is in the best interest of the Fund to depart from this tenure guideline.</p>
<p>11.</p>	<p><b>Policies Regarding the Representation of Women on the Board —</b></p> <p>(a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women trustees. If the issuer has not adopted such a policy, disclose why it has not done so.</p> <p>(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:</p> <p>(i) a short summary of its objectives and key provisions,</p> <p>(ii) the measures taken to ensure that the policy has been effectively implemented,</p> <p>(iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and</p> <p>(iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.</p>	<p>The Fund has adopted a Diversity Policy relating to the identification and nomination of diverse Trustees. The Fund will actively seek out diverse applicants for the pool of candidate appointments, and shall strive to consider an equal number of male and female candidates. All Trustee nominations will ultimately be based on merit, and the most skilled and qualified candidates from the diverse candidate pool will be selected, taking into account the needs of the Board. In addition, the Board has developed an objective to increase gender diversity on the Board, which is to be measured by the proportion of women Trustees on the Board. The Fund has made progress to achieve this objective by nominating Paulina Hiebert to stand for election at the Meeting. If all of management's nominees for election as Trustees of the Fund are elected at the Meeting, the Board will have one female Trustee (representing 33% of the Trustees).</p> <p>The Board will monitor, on an ongoing basis, the implementation and effectiveness of the Diversity Policy and will, at least annually, assess: (i) the mix of diversity, skill and expertise on the Board, (ii) the measurable objectives set pursuant to the Diversity Policy, and (iii) progress in achieving such measurable objectives, including any targets, if set.</p> <p>The Board, at least annually, will consider any revisions to the Diversity Policy that the Board believes would be appropriate.</p>

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
12.	<p><b>Consideration of the Representation of Women in the Trustee Identification and Selection Process</b> — Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.</p>	<p>When considering the composition of, and individuals to nominate to, the Board, the Board considers diversity from a number of aspects, including but not limited to gender, age, ethnicity and cultural diversity. In addition, when assessing and identifying potential new members to join the Board, the Board considers the current level of diversity on the Board.</p>
13.	<p><b>Consideration Given to the Representation of Women in Executive Officer Appointments</b> — Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.</p>	<p>The Fund does not have any executive officer positions, and accordingly this is not applicable.</p>
14.	<p><b>Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions</b> —</p> <p>(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.</p> <p>(b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.</p> <p>(c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.</p> <p>(d) If the issuer has adopted a target referred to in either (b) or (c), disclose:</p> <p>(i) the target, and</p> <p>(ii) the annual and cumulative progress of the issuer in achieving the target.</p>	<p>The Fund has not established a target for the representation of women on the Board or in executive officer positions of the Fund by a specific date. The Fund does not think it is appropriate to set targets due to the limited number of Trustee positions available. The Fund focuses its search for new Trustees primarily based upon the qualification, skills and experience of potential candidates; however, the Fund also gives consideration to diversity, including gender, when assessing potential candidates to serve as Trustees, pursuant to the Diversity Policy.</p>

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
15.	<p><b>Number of Women on the Board and in Executive Officer Positions —</b></p> <p>(a) Disclose the number and proportion (in percentage terms) of trustees on the issuer's board who are women.</p> <p>(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.</p>	<p>As at the date of this circular, none of the Trustees are women.</p> <p>If all of management's nominees for election as Trustees of the Fund are elected at the Meeting, the Board will have one female Trustee (representing 33% of the total number of Trustees).</p> <p>As at the date of this circular, none of executive officers of the Fund's major subsidiaries are women.</p>

## SCHEDULE B

### TERMS OF REFERENCE FOR THE BOARD OF BOSTON PIZZA GP INC.

and

### TERMS OF REFERENCE FOR A TRUSTEE OF BOSTON PIZZA ROYALTIES INCOME FUND

#### Terms of Reference for the Board of Boston Pizza GP Inc.

#### I. Introduction

Pursuant to the *Canada Business Corporations Act* (“**CBCA**”) the directors are required to manage the business and affairs of Boston Pizza GP Inc. (the “**Corporation**” or “**GP**”). The Board delegates to the management of the Corporation the requisite authority to manage the day-to-day operations of the Corporation, including the authority to incur ordinary-course expenses; however, the Board retains ultimate responsibility for the business and affairs of the Corporation and, as a consequence, assumes responsibility for the stewardship the Corporation. The principal responsibilities of the Board are summarized below.

#### II. Monitoring and Acting

The Board is responsible for:

- A. monitoring the Corporation’s progress towards its goals, and revising and altering its direction through management in light of changing circumstances;
- B. approving any payment of dividends, principal and/or interest payments to the Boston Pizza Royalties Income Fund (the “**Fund**”);
- C. the identification of the risks associated with the Corporation’s business and ensuring the implementation of appropriate systems to manage these risks;
- D. ensuring the implementation, continuity and integrity of the Corporation’s internal control and management information systems; and
- E. establishing structures and procedures to ensure the Board is able to function independently of Boston Pizza International Inc. (“**BPI**”), where necessary.

#### III. Mission and Strategy

The Board’s overall mission is to maximize the return on the use of the assets of Boston Pizza Royalties Limited Partnership. The Board shall participate with management of BPI, either directly or through its committees, in fulfilling the Board’s mission, including developing and approving specific objectives and goals, and the strategy by which it proposes to reach these objectives and goals.

#### IV. Policies and Procedures

The Board has the responsibility:

- A. to approve and monitor compliance with all significant policies and procedures by which the Corporation is operated; and
- B. to ensure the Corporation operates at all times within applicable laws and regulations, and to the highest ethical standards.

## **V. Reporting to the Fund**

The Board is responsible for:

- A. ensuring that the financial and operating performance of the Corporation is adequately reported to the Fund and regulators on a timely and regular basis;
- B. ensuring that the financial results are reported fairly and in accordance with generally accepted accounting standards;
- C. ensuring the timely reporting of any other developments that have a significant and material impact on the value of the Corporation;
- D. reporting annually to the Trustees and Unitholders of the Fund on the Board's stewardship of the Corporation for the preceding year; and
- E. ensuring that the Corporation has systems in place which accommodate feedback from Unitholders of the Fund and other stakeholders.

## **VI. Legal Requirements**

- A. The Board has the responsibility to ensure that legal requirements have been met, and documents and records have been properly prepared, approved and maintained.
- B. Canadian law and/or the articles and by-laws of the Corporation provide that the Board is obligated to do the following:
  - 1. To manage the business and affairs of the Corporation.
  - 2. To act honestly and in good faith with a view to the best interests of the Corporation.
  - 3. To exercise the care, diligence and skill that reasonable prudent people would exercise in comparable circumstances.
  - 4. To act in accordance with its obligations contained in the Amended and Restated Governance Agreement, CBCA, articles and by-laws of the Corporation and any other relevant legislation and regulations.
  - 5. In particular, it should be noted that the CBCA provides that the Board may not delegate to a committee the authority to:
    - (a) submit to the shareholders any question or matter requiring the approval of the shareholders;
    - (b) fill a vacancy among the directors or in the office of auditor, or appoint additional directors;
    - (c) issue securities except as authorized by the directors;
    - (d) issue shares of a series under the CBCA except as authorized by the directors;
    - (e) declare dividends;
    - (f) purchase, redeem or otherwise acquire shares issued by the Corporation;

- (g) pay any commission permitted under the CBCA, except as authorized by the directors;
- (h) approve a management proxy circular;
- (i) approve a take-over bid circular or directors' circular;
- (j) approve any financial statements; or
- (k) adopt, amend or repeal by-laws.

## **Terms of Reference for a Trustee of the Boston Pizza Royalties Income Fund**

### **I. GOALS AND OBJECTIVES**

Each Trustee must enhance and participate in the common goals and objectives of the Boston Pizza Royalties Income Fund (the "**Fund**") and must do so by:

- A. ensuring that the best interests of the Fund are paramount;
- B. participating in the monitoring of the activities of the Boston Pizza Royalties Limited Partnership (the "**LP**"), Administrator to the Fund; and
- C. fulfilling the legal requirements and obligations of a Trustee which includes a comprehensive understanding of the duties of Trustees provided for in the Declaration of Trust and under the common law.

### **II. DUTIES AND RESPONSIBILITIES OF EACH TRUSTEE**

#### **A. *Trustee Activity***

Recognizing the actions of each Trustee directly affect Board activity, each Trustee must:

1. exercise judgment and act with integrity;
2. use abilities, experience and influence constructively;
3. be an available resource to the Board of Trustees;
4. respect confidentiality;
5. bring ideas to the Board of Trustees with a willingness for discussion and criticism;
6. openly explore potential conflict areas – real or perceived – and adopt an objective position;
7. develop the ability to evaluate BPI's performance of its obligations under the License and Royalty Agreement;
8. develop the ability to evaluate the Fund's performance;
9. exercise responsibility to shape the Fund's distribution policy and strategy;
10. ensure the implementation, continuity and integrity of the Fund's internal control and management information systems;

11. oversee the Disclosure and Stock Trading Policy. The Board of Trustees will monitor the policies and procedures that are in place to provide for effective communication by the Fund with its unitholders and with the public generally, including effective means to enable unitholders to communicate with senior management of BPI and the Board of Trustees; and
12. assist in the Fund's growth.

**B. *Preliminary Orientation***

Upon a Trustee being elected or appointed to the Board of Trustees for the first time, that Trustee must develop an understanding of:

1. the business of the Fund and BPI, and how they are financially connected and managed, including, in particular, understanding the information contained within the Annual Information Form and annual financial statements of the Fund and BPI; and
2. the basic documents under which the Fund and its subsidiaries are established, and the agreements through which they obtain revenue and their business is managed, including:
  - (a) the Amended and Restated Declaration of Trust establishing the Fund;
  - (b) the Amended and Restated Declaration of Trust establishing Boston Pizza Holdings Trust;
  - (c) the Limited Partnership Agreement governing Boston Pizza Holdings Limited Partnership;
  - (d) the Amended and Restated Limited Partnership Agreement governing LP;
  - (e) the Limited Partnership Agreement governing Boston Pizza Canada Limited Partnership;
  - (f) the Amended and Restated Governance Agreement;
  - (g) the License and Royalty Agreement;
  - (h) the Amended and Restated Administration Agreement;
  - (i) the Amended and Restated Exchange Agreement for the LP;
  - (j) the Amended and Restated Exchange Agreement for Boston Pizza Canada Limited Partnership;
  - (k) the credit agreements governing the Fund's credit facilities; and
  - (l) to the extent BPI has provided the Fund a copy, the credit agreements governing BPI's credit facilities; and
3. the specific provisions in the various contracts to which the Fund and its subsidiaries are party under which the Board of Trustees or the Fund have an obligation to monitor BPI and BPI's business.

**C. *Preparation and Attendance***

To ensure that every Trustee meeting is productive and conducive to informed discussion of the issues before the Board, each Trustee must:

1. thoroughly prepare for each Board of Trustees meeting by making sure that you read and understand reports and background materials and are fully aware of all issues to be discussed at the meeting;
2. maintain an excellent Board of Trustees meeting attendance record; and
3. satisfy yourself that you have the information necessary for decision making.

**D. *Communication***

Effective internal communication is fundamental to the effectiveness of the Board of Trustees. Accordingly, each Trustee must:

1. participate fully and frankly in the deliberations and discussions of the Board of Trustees;
2. encourage free and open discussion of the affairs of the Fund by the Trustees;
3. make suggestions on innovations, strategic directions, and planning;
4. ask probing questions focused on policy and strategy rather than tactics and details;
5. question directors and officers of BPI in an appropriate manner and at proper times on the manner in which BPI is fulfilling its obligations under the License and Royalty Agreement;
6. speak up on critical matters requiring an objective opinion;
7. advise the Chair of the Board of Trustees when planning to introduce significant and previously unknown information or material at a Board of Trustees' meeting; and
8. communicate constructively and when appropriate, privately, with the Chair of the Board of Trustees.

**E. *Independence In Thinking and Acting***

While recognizing that the cohesiveness of the Board of Trustees is an important element of its effectiveness, a Trustee will endeavour to:

1. be a positive force and independent thinker with a demonstrated interest in the Fund;
2. think, speak and act independently with courage and confidence;
3. take a reasoned, independent position with the Chair of the Board of Trustees and other Trustees; and
4. comply with other sections of this manual with respect to independence.

**F. *Trustee Interaction***

In recognition of the fact that, while independence is essential, ultimately the Board of Trustees operates as a single unit:

1. establish an effective and respected presence, and respect the opinions and ideas of other Trustees;
2. demonstrate personal competence and trustworthiness;
3. make reasonable demands of the other Trustees, and respond with due haste and consideration to any demands made upon you; and
4. ensure that most requests for information from management of BPI is directed through the CFO of BPI.

**G. *Knowledge of the Fund, Boston Pizza and the Industry***

Recognizing that informed decisions can only be made by Trustees who seek and understand current information relating to the Fund, Boston Pizza and the industry in which Boston Pizza operates, each Trustee must:

1. stay knowledgeable about BPI's products, services and industry;
2. maintain a current understanding of the regulatory and legislative environment and the business, social and political environment within which Boston Pizza and the Fund operate;
3. develop a familiarity and knowledge of the key officers and management group of BPI; and
4. seek independent advice from outside advisors when necessary.

**III. LEGAL REQUIREMENTS OF TRUSTEES**

Canadian law and/or the Declaration of Trust in respect of the Fund provide that Trustees are obligated to, among other things:

1. act prudently and in the best interest of the Fund;
2. act honestly and in good faith with a view to the best interests of the Fund; and
3. in fulfilling its duties described in paragraphs 1. and 2. above, exercise the degree of care, diligence and skill that a reasonably prudent person would in comparable circumstances.