

BOSTON PIZZA ROYALTIES INCOME FUND

BOARD POLICY ON SUCCESSION

The Board of Trustees (the “**Board**”) of Boston Pizza Royalties Income Fund (the “**Fund**”) believes that it is in the best interests of the Fund and unitholders of the Fund (the “**Unitholders**”) that the Fund has a plan for the orderly succession of trustees of the Fund (each, a “**Trustee**”). The purpose of this Policy is to provide assurance and confidence to Unitholders and other stakeholders of the Fund that changes in the identity and composition of Trustees are planned and implemented in an orderly and effective manner. Succession planning is a continuous process of: (a) assessing the needs of the Board; (b) identifying potential candidates who have the skills, experience, expertise and characteristics required by the Board; and (c) ensuring there is an appropriate rate of turnover of Trustees, all in a manner to provide effective governance and oversight of the Fund.

The following principles will apply to the succession planning for Trustees and the Board as a whole:

1. Number of Trustees: The Fund’s Amended and Restated Declaration of Trust dated December 7, 2010 provides that the Board shall consist of a minimum of two (2) Trustees and a maximum of ten (10) Trustees, to be determined from time to time by the Board. The Board has determined that at the present time, the appropriate number of Trustees comprising the Board is three (3);
2. Tenure: The Fund benefits from a wide range of tenure in respect of its Board members, balancing solid institutional and company knowledge with new skills and perspectives. There is significant value in this balance. Effective oversight and decision-making are enhanced by both the fresh ideas and diverse viewpoints of new Trustees and the insight, experience and continuity contributed by longer-serving Trustees. The target average tenure of a Trustee will be between nine (9) and twelve (12) years, subject to the discretion of the Board. The Fund believes that this average tenure will allow the Fund to ensure Board member renewal and retirement planning while also allowing sufficient time for recruitment;
3. Needs of the Board: The Board continually assesses its skills and seeks to identify potential successor Board members based on the Fund’s strategic requirements and objectives. The Board will maintain a competency matrix to assess both the current and future needs of the Board against the competencies of the Trustees;
4. Candidates: The Board will ensure that there is a pro-active process to recruit potential candidates for Trustee who possess the skills, experience, expertise and characteristics required by the Board, with a view to finding the best and most suitable persons. In so doing, the Board will comply with the Diversity Policy adopted by the Fund from time to time; and
5. Transition: To the extent practicable, if a Trustee is planning on resigning or not standing for re-election, a new Trustee should be appointed at least six (6) months prior to such resignation or retirement to provide adequate time for the new Trustee to be oriented and learn the business of the Fund.