



***MANAGEMENT INFORMATION CIRCULAR***

**May 22, 2012**

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**NOTICE OF ANNUAL AND SPECIAL MEETING OF THE UNITHOLDERS  
TO BE HELD ON JUNE 19, 2012**

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the "**Meeting**") of the unitholders (the "**Unitholders**") of BTB Real Estate Investment Trust ("**BTB**") will be held at 1000 De La Gauchetière Street West, Montréal, Québec, on Wednesday, June 19, 2012 at 11:00 a.m. (Montreal time) in the *De La Gauchetière Room* of the VIP Centre for the following purposes:

- (a) To receive and consider the consolidated audited financial statements of BTB for the fiscal year ended December 31, 2011 and the auditors' report thereon;
- (b) To elect the trustees of BTB (the "**Trustees**");
- (c) To appoint the auditors of BTB and authorize the Trustees to fix their compensation;
- (d) To consider and, if deemed advisable, approve a resolution concerning the adoption of the Deferred Unit Plan in line with the requirements of the Toronto Stock Exchange;
- (e) To consider and, if deemed advisable, approve a resolution concerning the reconfirmation of the rolling unit option plan in line with the requirements of the Toronto Stock Exchange; and
- (f) To transact such other business as may duly come before the Meeting or any adjournment thereof.

A form of proxy and the management information circular ("**Circular**") are attached to this notice.

The Board of Trustees has set the close of business on May 15, 2012 as the record date for determining which Unitholders shall be entitled to receive notice of, and to vote at, the Meeting or of any adjournment thereof.

Unitholders who are unable to attend the Meeting are asked to complete, date, sign and return the attached form of proxy in order to ensure as broad a representation as possible at the Meeting.

The Board of Trustees has set the close of business on the second to last business day prior to the date of the Meeting (excluding Saturdays, Sundays and holidays), or any adjournment or postponement thereof, as the time before which proxies to be used or acted upon at the Meeting or at any adjournment or postponement thereof are to be deposited with the transfer agent of BTB.

**DATED** in Montreal, Québec, on May 22, 2012.

By order of the Board of Trustees

(s) *Michel Léonard*  
President and Chief Executive Officer

## **BTB REAL ESTATE INVESTMENT TRUST**

BTB is an unincorporated open-ended real estate investment trust, established pursuant to the laws of the Province of Québec, in accordance with the provisions of the Contract of Trust, as amended and restated on March 15, 2011 (the “**Contract of Trust**”).

BTB owns BTB Acquisition and Operating Trust (“**A&O Trust**”) (formerly TB Subsidiary Trust), a wholly-owned subsidiary, which purchases properties and manages a real estate portfolio on its behalf.

BTB focuses on the holding and acquisition of commercial and industrial mid-market income-producing properties on the primary and secondary markets throughout Canada, its initial focus being on geographical markets located East of Ottawa in Ontario, with a view to building a portfolio of properties with a geographic and industry diversification enabling the generation of stable and increasing cash flows.

## **MANAGEMENT INFORMATION CIRCULAR**

### **Solicitation of Proxies**

**This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of BTB for use at the annual and special meeting of the Unitholders of BTB to be held on June 19, 2012 and at any adjournment thereof for the purposes set out in the notice of meeting attached hereto (the “Notice”).**

It is expected that the solicitation of proxies will be primarily by mail; however, proxies may also be solicited personally or by telephone by the Trustees or staff members of BTB. The cost of solicitation shall be borne by BTB. Except where otherwise indicated, the information contained herein is given as of May 22, 2012. The Board of Trustees of BTB has, by resolution, set the close of business on May 15, 2012 as the record date, namely the date in order to determine which registered securityholders shall be entitled to receive Notice of the Meeting and to vote thereat.

### **Appointment and Revocation of Proxies**

A form of proxy is appended hereto and, if you do not intend to attend the Meeting in person, you are asked to complete and to return it in the envelope enclosed herewith. The proxy must be signed by the Unitholder or by his representative duly authorized in writing. The proxies to be used at the Meeting are to be delivered to our transfer agent, Computershare Investor Services Inc., Montreal, Québec, or Toronto, Ontario, or deposited with the President and Chief Executive Officer of BTB, at his office located at 2155 Crescent Street, Suite 300, Montreal, Québec, H3G 2C1, no later than the second to last business day prior to the day of the Meeting or any adjournment thereof, or with the Chairman of the Meeting, on the day of the Meeting or any adjournment thereof, or in any other manner authorized by law.

The persons designated in the form of proxy attached hereto are Trustees or members of the senior management (the “**Executive Officers**”) of BTB. **Instead of the persons designated in the form of proxy, you may appoint a proxy (who need not be a Unitholder) to attend the Meeting and act thereat on your behalf, by inserting the name of this other proxy whom you wish to appoint in the space provided therefor on the form of proxy and by striking out the names printed thereon or otherwise using another appropriate form of proxy.**

If you grant a proxy in accordance with this solicitation, you may revoke it with respect to any matter which has not been voted upon in accordance with the authorization provided for therein by way of an instrument in writing bearing your signature or that of your authorized representative to be delivered to the office of BTB, no later than the second to last business day prior to the day of the Meeting or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting, on the day of the Meeting or any adjournment thereof, or in any other manner authorized by law.

### Exercise of Discretion of Proxies

The persons named in the form of proxy attached hereto shall vote the units of BTB (the “Units”) in respect of which they have been appointed in accordance with the instructions of the Unitholders. **Unless contrary instructions shall be given, it is expected that the Units represented by the proxies received by management shall be voted, during any ballot, for (i) the election on an individual basis of each of the Trustees whose names appear in this Circular; (ii) the renewal of the appointment of the auditors whose compensation shall be set by the Trustees, (iii) the approval of the Deferred Unit Plan in line with the requirements of the Toronto Stock Exchange; and (iv) the reconfirmation of the rolling unit option plan in line with the requirements of the Toronto Stock Exchange.**

The form of proxy confers discretionary authority upon the persons named therein with respect to matters not set out in the Notice but which may be duly come before the Meeting or any adjournment thereof and with respect to amendments or variations of the items appearing in the Notice. At the date hereof, the Trustees are not aware of any amendment or variation, nor any other item of this nature which may come before the Meeting, except for those which are set out in the Notice and routine matters which are ancillary to the conduct of the Meeting. Should any other matter be duly brought before the Meeting, it is expected that the persons appointed as proxies will vote on these matters as they deem appropriate at the time.

### Exercise of Voting Rights

The information set forth in this section is of significant importance to the public Unitholders of BTB, as few of the Unitholders hold Units in their own name. Only Unitholders of record of BTB holding Units in their own name or persons they have appointed as proxies shall be authorized to vote at the Meeting. Most Unitholders of BTB are “non-registered” Unitholders (“**Non-Registered Unitholders**”) since the Units which they beneficially own are not registered in their own name. Should your Units not be registered in your own name but be so registered in the name of an “intermediary/broker” (such as, *inter alia*, a bank, a trust company, a securities dealer or broker, administrator or trustee of savings plan or a clearing agency such as CDS Clearing and Depository Services Inc. (or registration name CDS & Co.)), the intermediary/broker shall seek your instructions with respect to the voting of the Units and you shall be required to follow the instructions provided by your intermediary/broker, including those with respect to the time and place of delivery of the form of proxy.

The majority of intermediaries/brokers however delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions (“**Broadridge**”). Broadridge typically prepares a special voting instruction form, mails those forms to the Non-Registered Unitholders and asks for and provides appropriate instructions respecting the voting of Units to be represented at the Meeting. Broadridge is required to forward the Meeting documents to the Non-Registered Unitholders unless a Non-Registered Unitholder shall have waived his entitlement to receive them. A Non-Registered Unitholder 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 well in advance of the Meeting in order to have the Units voted.

Such procedures are intended to enable the Unitholders to provide instructions with respect to the voting of the Units. All Unitholders are required to carefully follow the instructions set out herein or those provided in the form of proxy or by their intermediary/broker or Broadridge, as the case may be, including those instructions with respect to the delivery of the form of proxy or of the voting instructions and with respect to the time and place of voting. Units held by intermediaries or nominees can be voted for or against resolutions only upon the instructions of the Non-Registered Unitholder. Without specific instructions, the intermediaries or nominees are prohibited from voting the Units for their clients. If you are a Non-Registered Unitholder and wish to vote in person at the Meeting, please contact your intermediary/broker well in advance of the Meeting to determine how you can do so.

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

To the best of the knowledge of the Trustees and the Executive Officers of BTB, except as set out herein and except insofar as they may be Unitholders of BTB, no Trustee or Executive Officer of BTB, nor any proposed nominee for election to the office of Trustee of BTB, nor any associate or affiliate of the foregoing persons, has a material interest, directly or indirectly, by way of beneficial ownership or otherwise, in the matters to be acted on at the Meeting.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The beneficial interests in BTB are divided into a single class of Units. Each Unit represents an equal undivided beneficial interest in any distribution from BTB and in any assets of BTB remaining in the event of termination or winding-up thereof. Each Unit entitles the holder thereof to one vote on all matters to be acted upon at the Meeting.

As at May 22, 2012, 95,527,984 Units of BTB were issued and outstanding.

The Board of Trustees has set the record date of May 15, 2012 as the record date for the purposes of determining Unitholders entitled to receive Notice of, and to vote at, the Meeting. Only persons registered as Unitholders on the books and registers of BTB at the close of business on the record date shall be entitled to receive Notice of, and vote at, the Meeting. Failure of any Unitholder to receive Notice of the Meeting shall not deprive the Unitholder of the right to vote at the Meeting.

To the knowledge of the Trustees and the Executive Officers, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of BTB carrying more than 10% of the voting rights attached to any class of voting securities of BTB.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

#### **Objectives**

BTB's Executive Compensation Program is or will be made up of base salaries, short-term incentives in the form of cash bonus opportunities and perquisites, and long-term incentives in the form of participation in the Unit Option Plan. The various components of BTB's Executive Compensation Program are designed to play a role in the following objectives, notably:

1. Providing a fair and competitive level of compensation on the market for comparable positions;
2. Retaining and motivating its executives who are critical to BTB's short and long-term success;
3. Rewarding performance and contribution, both on an individual basis and with respect to the business in general; and
4. Reinforcing the relationship between the Unitholders' interests and the compensation and responsibility of BTB's executives.

#### **Base Salary**

Individual executive salaries are normally set taking into account salaries paid in similar trusts or corporations of comparable size and with the intent of attracting and retaining individuals with the appropriate skill sets and experience.

### **Short-Term Incentive Plan**

Pay for performance is an important underlying principle of BTB's executive compensation philosophy, which the management of BTB intends to develop. These short-term incentives, if applicable, would be paid shortly following the year in which they are earned. Members of the management team could receive, following an outstanding performance of BTB for a given period, a bonus or another form of compensation.

### **Long-Term Incentive Plan**

Subject to Unitholders' approval, BTB has adopted a rolling unit option plan (the "**Unit Option Plan**"). Options are granted pursuant to the Unit Option Plan at the discretion of the Board of Trustees upon recommendation by the Governance and Human Resources Committee. In addition, the Unit Option Plan is designed to encourage the achieving of BTB's growth objectives.

The Trustees may, from time to time, in their discretion, and in accordance with the requirements of the Toronto Stock Exchange, grant non-transferable unit options to the Trustees, Executive Officers, employees and consultants of BTB, provided that the number of Units reserved for issue under such Unit Option Plan and the Deferred Unit Plan (see "*Particulars of Matters to be acted upon: 4. Approval of the Deferred Unit Plan and 5. Reconfirmation of the Unit Option Plan*") shall not exceed 10% of the number of Units issued and outstanding at any time.

### **Compensation of the Chief Executive Officer and the Chief Financial Officer**

In setting the Chief Executive Officer's salary and bonus, the Governance and Human Resources Committee reviews salaries and bonuses paid to other Executive Officers of BTB, salaries and bonuses paid to other chief executive officers in the industry and the Chief Executive Officer's impact on the achievement of BTB's objectives for the previous and current financial year.

In setting the Chief Financial Officer's salary and bonus, the Governance and Human Resources Committee reviews salaries and bonuses paid to other Executive Officers of BTB, salaries and bonuses paid to other chief financial officers in the industry and the Chief Financial Officer's impact on the achievement of BTB's objectives for the previous and current financial year. The Chief Financial Officer of BTB is compensated with a salary and periodic grants of options under the Unit Option Plan as well as incentives under BTB's short term incentive plan (beginning on January 1, 2009).

### **Management Service Agreement**

Since October 3, 2006, a management company (the "**Management Company**") had been providing the services: (i) of Mr. Michel Léonard, in his capacity as President and Chief Executive Officer of BTB; and (ii) of Mr. Peter Polatos, in his capacity as Vice President, Acquisition and Assistant Secretary of BTB, pursuant to a Management Service Agreement. Mr. Michel Léonard controlled the Management Company. Messrs Léonard and Polatos also acted as Trustees of BTB. The Management Service Agreement provided that no compensation shall be paid to the Management Company. The Management Service Agreement was terminated effective March 31, 2009 as part of operational cost saving measures.

### **Asset Management Agreement**

The Management Company also provided on an exclusive basis to A&O Trust, asset management services as well as administrative and other services pursuant to an Asset Management Agreement, which, in exchange, provided for, up to March 31, 2009, an annual advisory fee payable monthly, equal to 0.3% of the Adjusted Cost Base (the "**ACB**") of the assets of A&O Trust and its subsidiaries, prorated to take into account any acquisitions or dispositions during any monthly period. These fees were payable 80% in Units and 20% cash.

In February 2009, the Trust and the Management Company decided to terminate the Asset Management Agreement effective March 31, 2009 as part of operational cost saving measures.

Pursuant to the terms of the Asset Management Agreement, the Management Company earned, for its services in the financial year ended December 31, 2009, annual advisory fees and acquisition fees for a total amount of \$169,834, of which \$135,868 was paid in Units.

BTB reimbursed the asset manager in respect of all expenses connected with the operation of A&O Trust, including, without limitation, expenses of a third party, which were reasonably incurred by the asset manager on behalf of A&O Trust.

### Summary Compensation Table

Under applicable securities legislation, BTB is required to disclose certain financial and other information relating to the compensation of its Executive Officers.

The following table provides information for the three most recent financial periods ended December 31, regarding compensation paid to, or earned by, the Chief Executive Officer, the Chief Financial Officer and the most-highly compensated Executive Officers of BTB other than the Chief Executive Officer and Chief Financial Officer whose total salary and bonus exceeded \$150,000 on December 31, 2011 (the “**Named Executive Officers**”). No other Executive Officer of BTB earned total salary and bonuses in excess of \$150,000 for the financial year ended December 31, 2011.

Name and principal position	Year	Salary (\$)	Unit-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-Term incentive plans			
Michel Léonard President and Chief Executive Officer	2011	442,800	N/A	0	N/A	N/A	N/A	33,500 <sup>(2)</sup>	476,300
	2010	432,000	N/A	0	N/A	N/A	N/A	---	432,000
	2009	324,000	N/A	0	50,198	N/A	N/A	96,805 <sup>(3)</sup>	471,003
Benoit Cyr Vice President and Chief Financial Officer	2011	179,000	N/A	0	N/A	N/A	N/A	17,300 <sup>(2)</sup>	196,300
	2010	175,000	N/A	0	N/A	N/A	N/A	---	175,000
	2009	160,000	N/A	0	N/A	N/A	N/A	6,400	166,400

Notes:

- (1) In determining the grant date fair value of these option awards, the Black-Scholes methodology was used.
- (2) The other compensation is comprised of bonus, car allowance and professional membership.
- (3) See the sections entitled “Management Services Agreement” and “Asset Management Agreement” as well as the section entitled “Compensation of Trustees”. Mr. Michel Léonard received options as Trustee of BTB. The compensation for Mr. Michel Léonard was paid directly to Placements M.L. Léonard Inc. a corporation controlled by Mr. Michel Léonard.

### Incentive Plan Awards

#### *Outstanding Option-Based Awards and Unit-Based Awards*

The following table indicates for each of the Named Executive Officers all awards outstanding at the end of financial year ended December 31, 2011 pursuant to BTB’s current Unit Option Plan and previous option-based awards. BTB does not have a plan entitling its members to benefit from the increase in value of the Units.

Option-based Awards					Unit-based Awards	
Name	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of Units that have not vested	Market or payout value of unit-based awards that have not vested
Michel Léonard President and Chief Executive Officer	500,000	2.76	June 15, 2012	0	N/A	N/A
	50,000	1.11	Sept 8, 2013	0	N/A	N/A
Benoit Cyr Vice President and Chief Financial Officer	100,000	2.76	June 15, 2012	0	N/A	N/A
	25,000	1.11	Sept. 8, 2013	0	N/A	N/A

Note:

(1) Value of the Units based on December 31, 2011 closing price (\$0.89).

### Value Vested or Earned on Incentive Plan Awards During the Most Recent Completed Fiscal Year

The following table indicates for each of the Named Executive Officers, the value on vesting of all option awards during the 2011 financial year.

Name	Option-based awards Value vested during the year (\$) <sup>(1)</sup>	Unit-based awards Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Michel Léonard President and Chief Executive Officer	0	N/A	N/A
Benoit Cyr Vice President and Chief Financial Officer	0	N/A	N/A

Note:

(1) Value of the Units based on December 31, 2011 closing price (\$0.89). The class of securities underlying all options is made up of Units of BTB.

No options were exercised by the Named Executive Officers during the financial year ended December 31, 2011.

### COMPENSATION OF TRUSTEES

The non executive Trustees of BTB were compensated as follows during the financial year ended December 31, 2011:

Name	Fees earned (\$)	Unit-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Jocelyn Proteau <sup>(1)</sup>	82,500	N/A	N/A	N/A	N/A	0	82,500
Jean-Pierre Janson	35,000	N/A	N/A	N/A	N/A	0	35,000
Richard Lord	36,250	13,750 <sup>(2)</sup>	N/A	N/A	N/A	0	50,000
Luc Lachapelle	35,000	N/A	N/A	N/A	N/A	0	35,000
Normand Beauchamp	45,000	N/A	N/A	N/A	N/A	0	45,000
Claude Garcia	50,000	N/A	N/A	N/A	N/A	0	50,000
Peter Polatos	35,000	N/A	N/A	N/A	N/A	0	35,000
Fernand Perreault <sup>(3)</sup>	45,000	N/A	N/A	N/A	N/A	0	45,000

Notes:

(1) Mr. Jocelyn Proteau is the Chairman of the Board

(2) Earned and to be paid pursuant to the terms of the Deferred Unit Plan which is subject to the Unitholders' approval. See "Particulars of matters to be acted upon – 4. Approval of the Deferred Unit Plan".

(3) Mr. Fernand Perreault is a Non-Participating Independent Trustee of BTB.

### Outstanding Option-Based Awards and Unit-Based Awards

The following table indicates for each of the non executive Trustees all awards outstanding at the end of financial year ended December 31, 2011 pursuant to BTB's current Unit Option Plan and previous option-based awards. BTB does not have a plan entitling its members to benefit from the increase in value of the Units. Mr. Fernand Perreault is a Non-Participating Independent Trustee of BTB and as such does not receive any option-based awards.

Option-based Awards					Unit-based Awards	
Name	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of Units that have not vested	Market or payout value of unit-based awards that have not vested
Jocelyn Proteau	200,000	2.76	June 15, 2012	0	N/A	N/A
	150,000	1.11	Sept 8, 2013	0	N/A	N/A
	125,000	0.90	May 26, 2015	0	N/A	N/A
Jean-Pierre Janson	100,000	2.76	June 15, 2012	0	N/A	N/A
	80,000	1.11	Sept 8, 2013	0	N/A	N/A
	70,000	0.90	May 26, 2015	0	N/A	N/A
Richard Lord	100,000	2.76	June 15, 2012	0	N/A	N/A
	80,000	1.11	Sept 8, 2013	0	N/A	N/A
	70,000	0.90	May 26, 2015	0	N/A	N/A
Luc Lachapelle	100,000	2.76	June 15, 2012	0	N/A	N/A
	80,000	1.11	Sept 8, 2013	0	N/A	N/A
	70,000	0.90	May 26, 2015	0	N/A	N/A
Normand Beauchamp	100,000	2.76	June 15, 2012	0	N/A	N/A
	80,000	1.11	Sept 8, 2013	0	N/A	N/A
	70,000	0.90	May 26, 2015	0	N/A	N/A
Peter Polatos	300,000	2.76	June 15, 2012	0	N/A	N/A
	50,000	1.11	Sept 8, 2013	0	N/A	N/A
	35,000	0.90	May 26, 2015	0	N/A	N/A

Note:

(1) Value of the Units based on December 31, 2011 closing price (\$0.89).

### Value Vested or Earned on Incentive Plan Awards During the Most Recent Completed Fiscal Year

The following table indicates for each of the non-executive Trustees, the value on vesting of all option awards during the 2011 financial year.

Name	Option-based awards Value vested during the year (\$) <sup>(1)</sup>	Unit-based awards Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Jocelyn Proteau	0	N/A	N/A
Jean-Pierre Janson	0	N/A	N/A
Richard Lord	0	N/A	N/A
Luc Lachapelle	0	N/A	N/A
Normand Beauchamp	0	N/A	N/A
Peter Polatos	0	N/A	N/A

Note:

(1) Value of the Units based on December 31, 2011 closing price (\$0.89).

### EQUITY COMPENSATION PLANS

The following table provides details of compensation plans under which equity securities of BTB were authorized for issue in respect of the financial year ended December 31, 2011. See note 12 of the Consolidated Financial Statements of BTB for the year ended December 31, 2011.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, Rights or Deferred Units	Weighted-Average Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issue Under Equity Compensation Plans
Unit Option Plan approved by Unitholders	2,755,000	\$2.04	4,650,395
Deferred Unit Plan approved by Unitholders	0	N/A	749,022

### INDEBTEDNESS OF TRUSTEES, EXECUTIVE OFFICERS AND EMPLOYEES

As at May 22, 2012, no current or former Trustee, Executive Officer or employee of BTB or of any of its subsidiaries, as applicable, is indebted to BTB or any of its subsidiaries, nor has the indebtedness of any of them to another entity been the subject of a guarantee, support agreement, letter of credit or similar arrangement or undertaking provided by BTB or any of its subsidiaries.

### LIABILITY INSURANCE

BTB provides insurance for the benefit of the Trustees and Executive Officers against liability incurred by them in such capacities. The current annual policy limit is ten million dollars. For the policy year from September 28, 2011 to September 28, 2012, BTB paid an annual premium of \$34,335 plus taxes for this insurance. Under the policy, each entity which is an affiliate of BTB has reimbursement coverage to the extent that it has indemnified Trustees, directors or Executive Officers of such entity. As at May 22, 2012, no claim has ever been presented and no amount has ever been paid under such policy.

### INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Contract of Trust contains provisions relating to conflicts of interest designed to protect the Unitholders without, however, placing undue restrictions on BTB. Since the Trustees could carry on various real estate transactions and other activities, the Contract of Trust contains provisions requiring that each Trustee disclose any interest in a material contract or transaction with BTB (or an affiliate of BTB). Any Trustee who has so disclosed an interest may not vote on a resolution with a view to approving a contract or a transaction, except in restricted circumstances.

Other than in connection with the Arrangement and as set out herein, no informed person of BTB nor any proposed nominee for election as a Trustee of BTB nor any associate or affiliate of such persons, has had any material interest, direct or indirect, in any transaction or any proposed transaction since the commencement of BTB's last financial year or in any transaction or proposed transaction which has materially affected or would materially affect BTB or any of its subsidiaries.

### STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices and Regulation 52-110 Respecting Audit Committees*, as applicable to BTB (collectively, the "**Governance Guidelines**") deal with matters such as the constitution and independence of the boards of directors of corporations or other reporting issuers, their functions, the effectiveness and education of board members, and other items dealing with sound corporate governance practices. BTB and the Board of Trustees recognize the importance of corporate governance to the effective management of BTB and to the protection of its employees and Unitholders, as a whole.

BTB's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of BTB are effectively managed so as to enhance Unitholder value. The Board of Trustees fulfils its mandate directly and through its committees at regularly scheduled meetings or as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending on the state of BTB's affairs and in light of opportunities or risks which BTB faces. The Trustees are kept informed of BTB's operations at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise. BTB continues to monitor developments in Canada with a view to further revising its governance policies and practices, as appropriate.

As is the case with BTB, each reporting issuer must establish its governance practices annually and the following is a description of BTB's corporate governance practices, which has been suggested or developed, in accordance with the Governance Guidelines, by the Board of Trustees.

### ***The Board of Trustees***

The governance, investment guidelines and operating policies of BTB are governed by a Contract of Trust and supervised by the Board of Trustees. The Board of Trustees may delegate some of its powers with respect to good governance to the Governance and Human Resources Committee. See "Governance and Human Resources Committee".

A majority of the Board of Trustees of BTB are independent. Eight (8) out of nine (9) members, being Messrs Jean-Pierre Janson, Richard Lord, Luc Lachapelle, Peter Polatos, Normand Beauchamp, Claude Garcia, Fernand Perreault and Jocelyn Proteau, who is the Chairman of the Board, are independent within the meaning of the Contract of Trust and the Governance Guidelines and hold periodic meetings to review the business operations, governance and financial results of BTB without the presence of management. Mr. Michel Léonard is not independent as he is an Executive Officer of BTB.

To facilitate the functioning of the board independently of management, the following structures and processes are in place:

- a non-executive Chairman of the Board has been appointed;
- a majority of the Board of Trustees are non-management members;
- independent committees may be appointed from time to time, when appropriate.

### **Position Descriptions**

Written position descriptions have been developed by the Board of Trustees for the Chief Executive Officer, the Chief Financial Officer, the Chairman of the Board, the Chairman of the Investment Committee, the Chairman of the Audit Committee and the Chairman of the Governance and Human Resources Committee.

The roles and responsibilities of the aforementioned positions are reviewed and approved by the Board of Trustees with the assistance of the Governance and Human Resources Committee.

## Meetings of the Board of Trustees and Committees

From January 1, 2011 to December 31, 2011, the Board of Trustees held 15 meetings.

The number of board and committee meetings the Trustees attended for the financial year ended December 31, 2011 is as follows:

Trustee	Board of Trustees	Audit Committee	Investment Committee <sup>(1)</sup>	Governance and Human Resources Committee
Michel Léonard	15 of 15	N/A	N/A	N/A
Peter Polatos	13 of 15	N/A	4 of 5 <sup>(2)</sup>	N/A
Jocelyn Proteau	15 of 15	N/A	N/A	1 of 1
Jean-Pierre Janson	13 of 15	2 of 2	N/A	1 of 1
Richard Lord	14 of 15	4 of 4	N/A	1 of 1
Luc Lachapelle	13 of 15	3 of 4	7 of 9	N/A
Normand Beauchamp	12 of 15	N/A	7 of 9	1 of 1
Claude Garcia	14 of 15	4 of 4	9 of 9	N/A
Fernand Perreault	14 of 15	1 of 2 <sup>(3)</sup>	8 of 9	N/A

(1) The independent Trustees of the Board met, when necessary, without the presence of Mr. Michel Léonard or other members of management.

(2) Mr. Peter Polatos' appointment to the Investment Committee was effective August 11, 2011.

(3) Mr. Fernand Perreault's appointment to the Audit Committee, in replacement of Mr. Jean-Pierre Janson, was effective June 22, 2011.

## Other Public Company Directorships/Committee Appointments

The following table provides details regarding directorships presently held by Trustees in other reporting issuers in Canada and in a foreign jurisdiction.

Name	Reporting Issuer	Name of Exchange or Market (as the case may be)	Position	From	To
Jocelyn Proteau	Richelieu Hardware Ltd	Toronto Stock Exchange	Director	April 2005	Present
	20-20 Technologies Inc.	Toronto Stock Exchange	Vice-Chairman of the Board and Director	July 2002	Present
	CO <sub>2</sub> Solution Inc.	TSX Venture Exchange	Director	April 2007	Present
Richard Lord	Richelieu Hardware Ltd	Toronto Stock Exchange	President & Chief Executive Officer and Director	July 1993	Present
	20-20 Technologies Inc.	Toronto Stock Exchange	Director	March 1996	Present
	Colabor Group Inc.	Toronto Stock Exchange	Director	June 2005	Present
Jean-Pierre Janson	Midland Exploration Inc.	TSX Venture Exchange	Chairman of the Board and Director	Jan. 2005	Present
	Tri Origin Exploration Ltd	TSX Venture Exchange	Director	May 2004	Present

Name	Reporting Issuer	Name of Exchange or Market (as the case may be)	Position	From	To
Normand Beauchamp	Dundee Corporation	Toronto Stock Exchange	Director	1991	Present
Claude Garcia	Cogeco Cable Inc.	Toronto Stock Exchange	Director	2004	Present
	Cogeco Inc.	Toronto Stock Exchange	Director	2003	Present
	Goodfellow Inc.	Toronto Stock Exchange	Director	Dec. 2005	Present

## Board of Trustees' Mandate

### *The Board of Trustees*

The Board is responsible for supervising the management of BTB and monitoring management in order to foster the short- and long-term success of BTB and is accountable to BTB's Unitholders. The Board of Trustees realizes its responsibility both directly and by delegating to the Audit Committee, the Investment Committee and Governance and Human Resources Committee.

The Trustees' powers and duties are outlined in Section 4 of the Contract of Trust, a copy of which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### Code of Ethics

The Board of Trustees intends to adopt a Code of Ethics (the "Code") for Trustees, Executive Officers and employees of BTB, and its subsidiaries and affiliates.

The Board of Trustees, however, takes steps to ensure that the Trustees, Executive Officers and employees exercise independent judgment in considering transactions and agreements in respect of which a Trustee, Executive Officer or employee of BTB has a material interest, which includes ensuring that the Trustees, Executive Officers and employees are thoroughly familiar with the rules concerning reporting conflicts of interest and obtaining direction from their supervisor or the Chief Executive Officer regarding any potential conflicts of interest.

Certain items, such as the acquisition of a building or an investment therein, are subject to the approval of the independent Trustees by way of a vote cast at a meeting of the Trustees.

The Board of Trustees encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to Trustees, Executive Officers and employees to help them recognize, and deal with, ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

### Nomination of Trustees

The Governance and Human Resources Committee is charged with overseeing the recruitment and selection of candidates as Trustees for appointment to the Board. The process by which the Governance and Human Resources Committee identifies new candidates is by taking into account the following considerations: (a) the competencies and skills which the Board, as a whole, should possess; (b) the competencies and skills that each existing Trustee possesses; (c) the competencies and skills each new nominee will bring to the Board; and (d) whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member.

### Compensation

The Governance and Human Resources Committee determines appropriate compensation for the Trustees and Executive Officers of BTB. The process by which appropriate compensation is determined is

through periodic and annual reports on BTB's overall compensation and benefits philosophies with such compensation realistically reflecting the responsibilities and risks of such positions.

The Governance and Human Resources Committee's responsibilities also include reviewing and making recommendations regarding any equity or other compensation plan and regarding the total compensation package of the Chief Executive Officer and the other executive officers, considering and approving the recommendations of the Chief Executive Officer regarding the total compensation and benefits philosophies and programs for senior management and employees and preparing and recommending to the Board of Trustees annually a "Statement of Executive Compensation" as included in BTB's Management Information Circular.

### **Orientation and Continuing Education**

The Governance and Human Resources Committee is responsible for ensuring that new Trustees are provided with an orientation and education program which will include written information about the duties and obligations of the Trustees; the business and operations of BTB and its subsidiaries; documents from recent Board meetings; and opportunities for meetings and discussions with senior management and other Trustees.

The Board of Trustees recognizes the importance of ongoing Trustee education and the need for each Trustee to take personal responsibility for this process. To facilitate ongoing education of Trustees, the Board, through consultation with its committees, will encourage and facilitate presentations by outside experts to the Board or its committees on matters of particular importance or emerging significance.

### **Board Assessment**

The Board of Trustees has made it its practice to make ongoing and formal assessments of the performance of the Board and its committees. Evaluations of the Board of Trustees were conducted in April 2011 and April 2012.

### ***Governance and Human Resources Committee***

The Governance and Human Resources Committee of BTB is charged with negotiating, finalizing and otherwise handling all the compensation and assessment of any Trustee, Executive Officer or consultant of BTB. The Committee is also responsible for implementing governance procedures and guidelines and recommending nominees to the Board of Trustees.

The Governance and Human Resources Committee is made up of Messrs Jocelyn Proteau, Jean-Pierre Janson, Normand Beauchamp and Richard Lord, all of whom are deemed to be independent within the meaning of the Governance Guidelines.

### ***Investment Committee***

BTB empowered A&O Trust with the responsibility of overseeing the Investment Committee, which is composed of three members, the majority of which are considered independent and duly nominated by the Board of Trustees. The Investment Committee must, amongst other things, ensure that the ownership, acquisition and operating activities do not surpass the restrictions of the Contract of Trust, evaluate and recommend projects to acquire income producing real estate and assist the Board of Trustees and Executive Officers in determining the needs of BTB and its subsidiaries with regards to any financing, acquisition, take-over bid, merger or amalgamation.

Messrs Claude Garcia, Luc Lachapelle, Normand Beauchamp, Fernand Perreault and Peter Polatos are all members of the Investment Committee, all of whom are deemed to be independent within the meaning of the Governance Guidelines.

## AUDIT COMMITTEE INFORMATION

BTB is required to disclose the following information in accordance with *Regulation 52-110 Respecting Audit Committees* ("**52-110**"). The Board of Trustees of BTB has established an Audit Committee responsible for, amongst other things, assisting in the supervision and assessment of the following items:

- The quality and integrity of the annual and interim financial statements of BTB and of the documents related thereto;
- The compliance of BTB with the requirements of applicable laws and regulations with respect to financial disclosure; and
- The competence, independence and performance of the independent auditors of BTB.

Information required under 52-110 is available in BTB's Annual Information Form (the "**AIF**") for the financial year ended December 31, 2011. A copy of BTB's current AIF is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Presentation of Audited Annual Financial Statements

The management's discussion and analysis, the audited consolidated financial statements as well as the auditors' report relating thereto for the financial year ended December 31, 2011, which are available on SEDAR at [www.sedar.com](http://www.sedar.com), shall be submitted to the Unitholders of BTB at the Meeting; **however, no vote will be held thereupon and no act will be taken in their regard.**

### 2. Election of Trustees

The Contract of Trust provides that there will be a minimum of five Trustees and a maximum of fifteen Trustees, with the number of Trustees within that range being fixed by resolution of the Trustees. There are currently eight Trustees. The nine Trustees are standing for election individually for the upcoming financial year.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote IN FAVOUR OF the election, as Trustees, of the nominees whose names are set forth below.**

All of the nominees are currently Trustees of BTB. Each Trustee will hold office for a term expiring at the close of the next annual meeting of Unitholders, unless his office is vacated earlier due to death, removal, resignation or ceasing to be duly qualified. The Trustees do not contemplate that any of the nominees will be unable to serve as a Trustee, but, should that circumstance arise for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. In order to be effective, the resolution electing the Trustees must be approved by a majority of the Units represented by the Unitholders present at the Meeting in person or by proxy.

The following table and notes thereto set forth the names of the persons proposed to be nominated for election as Trustees, their principal occupations or employments, the periods during which they have served as Trustees of BTB and the approximate number of Units beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them:

Name and Province of Residence	Position With BTB	Principal Occupation	Number of Units Beneficially Owned, Controlled or Directed <sup>(1)</sup>	Trustee Since
Michel Léonard Montréal, Québec	President, Chief Executive Officer and Trustee	President and Chief Executive Officer of BTB	1,331,254	July 12, 2006
Peter Polatos <sup>(4)</sup> Rosemère, Québec	Independent Trustee	President AMTB Management inc.	779,140	July 12, 2006
Jocelyn Proteau <sup>(3)</sup> Verdun, Québec	Chairman of the Board of Trustees and Independent Trustee	Corporate Director	263,160	July 12, 2006
Jean-Pierre Janson <sup>(3)</sup> Outremont, Québec	Independent Trustee	Managing Director, National Sales Richardson GMP Ltd	300,000	July 12, 2006
Richard Lord <sup>(2)(3)</sup> St-Laurent, Québec	Independent Trustee	President & Chief Executive Officer and director Richelieu Hardware Ltd	209,200	July 12, 2006
Luc Lachapelle <sup>(2)(4)</sup> St-Laurent, Québec	Independent Trustee and Corporate Secretary	President and Chief Executive Officer Corlac Real Estate Inc.	173,400	July 12, 2006
Normand Beauchamp <sup>(3)(4)</sup> Verdun, Québec	Independent Trustee	President and Chief Executive Officer Capital NDSL Inc.	488,386	July 12, 2006
Claude Garcia <sup>(2)(4)</sup> Outremont, Québec	Independent Trustee	Corporate Director	451,000	October 16, 2006
Fernand Perreault <sup>(2)(4)</sup> Longueuil, Québec	Non-Participating and Independent Trustee	Corporate Director	Nil	September 23, 2010

Notes

- (1) The information as to Units beneficially owned or over which control or direction is exercised, directly or indirectly, not being within the precise knowledge of BTB, has been furnished by the proposed nominees.
- (2) Member of the Audit Committee. Mr. Richard Lord is the Chairman of the Audit Committee.
- (3) Member of the Governance and Human Resources Committee. Mr. Normand Beauchamp is the Chairman of the Governance and Human Resources Committee.
- (4) Member of the Investment Committee. Mr. Claude Garcia is the Chairman of the Investment Committee.

With the exception of Mr. Michel Léonard, all the duly elected Trustees will also act in such capacity for A&O Trust.

Mr. Beauchamp has sat on the Board of Directors of Corporation CINAR, a corporation which has been subject to a cease-trade order. Mr. Beauchamp became a member of the Board of Directors in his capacity as member of the arrangement group after the cease-trade order was handed down. His duties as Director ended upon the assignment of Corporation CINAR.

### 3. Appointment of the Auditors of BTB

It is proposed that the firm of KPMG LLP, chartered accountants, (“**KPMG**”), at their Montreal offices located at 600 De Maisonneuve Boulevard West, Suite 1500, Montreal, Québec, H3A 0A3, be appointed as auditors of BTB, to hold office until the next annual general Meeting of the Unitholders or until their successor is appointed, and that the Trustees be authorized to fix the compensation of the auditors. The accountants of the firm of KPMG have been the auditors of BTB since its inception on July 12, 2006. To be effective, the resolution approving the appointment of the auditors and the fixing of their compensation

for the ensuing financial year must be approved by a majority of the Units represented by Unitholders present at the Meeting in person or by proxy.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote IN FAVOUR OF the appointment of KPMG as auditors of BTB.**

#### **4. Approval of the Deferred Unit Plan**

On May 15, 2012, BTB received conditional approval to list its securities on the Toronto Stock Exchange ("TSX"). The Trustees of BTB intend to approve an amended deferred unit plan (the "**Deferred Unit Plan**") subject to Toronto Stock Exchange and Unitholder approvals. If approved, the effective date of the Deferred Unit Plan will be June 19, 2012. At the Meeting, the Unitholders will be asked to consider and, if deemed advisable, to approve a resolution approving the Deferred Unit Plan in line with the requirements of the TSX and including the employees of BTB among the eligible beneficiaries. The amendments include namely updated language for listing the Units on the TSX and other technical, consequential and clerical modifications. The resolution approving the Deferred Unit Plan must be approved by a majority of the votes cast by the Unitholders.

To remain effective, the Deferred Unit Plan will need to be approved by the Unitholders at the third annual meeting following the present Meeting.

**The Board of Trustees has concluded that the approval of the Deferred Unit Plan is in the best interest of BTB and Unitholders and unanimously recommends that Unitholders vote IN FAVOUR OF this resolution.**

The Unitholders will be asked to consider and, if deemed advisable, to approve the following resolution:

**"BE IT RESOLVED THAT:**

- (a) The approval of the Deferred Unit Plan as substantially described in this Management Information Circular dated May 22, 2012 is hereby confirmed.
- (b) Any Trustee of BTB is hereby authorized to execute and deliver all such documents, and to do all such other acts and things, as such Trustee may determine to be necessary or advisable in connection with the foregoing, and he is directed to do so.
- (c) The Trustees of BTB may, without any other approval from the Unitholders revoke this resolution prior to its implementation."

A copy of the Deferred Unit Plan is available on SEDAR at [www.sedar.com](http://www.sedar.com).

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote IN FAVOUR OF the resolution approving the Deferred Unit Plan.**

#### ***Description of the Deferred Unit Plan***

The Deferred Unit Plan is administered by the Governance and Human Resources Committee of the Board of Trustees. The purpose of the Deferred Unit Plan is to promote a greater alignment of interest between the Trustees and employees ("**Eligible Beneficiaries**") and the Unitholders.

Each Eligible Beneficiary will be given the right to elect to be a participant (a "**Participant**") of the Deferred Unit Plan. A Participant may be paid between fifty percent (50%) and one hundred percent (100%) of the annual retainers paid by BTB to that Trustee or any portion of a bonus paid by BTB to an employee in a calendar year for services on the Board of Trustees or to BTB, together with committee fees, additional

fees and retainers to committee chairs (collectively the "**Fees**") in the form of deferred units ("**Deferred Units**") in lieu of cash.

The number of Deferred Units (including fractional Deferred Units) granted at any particular time pursuant to this Deferred Unit Plan will be calculated by dividing (i) the dollar amount of Fees allocated to the Participant by (ii) the Market Value (as defined below) of a Unit on the award date. "Market Value" at any date in respect to the Units means the average closing price of the Units traded on the Toronto Stock Exchange in a board lot for the five (5) trading days immediately preceding such date. In the event that there is no closing price for a board lot of Units on any day in the five (5) day period, then the average of the asked and bid prices for that day shall be substituted for the closing price.

Under no circumstances shall Deferred Units be considered Units nor entitle a Participant to any Unitholder rights, including, without limitation, voting rights, distribution entitlements (other than as set out below) or rights on liquidation. One (1) Deferred Unit is equivalent to one (1) Unit. Fractional Units are permitted under the Deferred Unit Plan.

Generally speaking, Deferred Units granted to Participants pursuant to the Deferred Unit Plan shall vest immediately. The Deferred Units credited to a Participant's Deferred Unit account may be redeemable in whole or in part for cash or in Units at the option of the Participant only when such Participant is no longer an Eligible Participant. The Deferred Units credited to a Participant's Deferred Unit account shall also be immediately redeemable by the Participant (or, where the Participant has died, his or her estate) upon the death of the Participant.

Upon payment in full of the value of a Deferred Unit, such Deferred Unit shall be cancelled.

Whenever cash distributions are paid on the Units, additional Deferred Units will be credited to the Participant's Deferred Unit account. The number of such additional Deferred Units shall be calculated by dividing (i) the amount determined by multiplying: (a) the number of Deferred Units in such Participant's Deferred Unit account on the record date for payment of such distribution; by (b) the distribution paid per Unit; by (ii) the Market Value of a Unit on the distribution payment date for such distribution, in each case, with fractions computed to four (4) decimal places. Such additional Deferred Units shall vest on the same date as the initial Deferred Units granted.

The aggregate number of Units authorized for issuance upon the redemption of Deferred Units granted under the Deferred Unit Plan together with the number of Units reserved for issuance to the Trustees, senior officers and employees of BTB pursuant to any other security-based compensation arrangement shall not exceed ten percent (10%) of the then outstanding Units as calculated immediately prior to the coming in force of the Deferred Unit Plan. Assuming the reconfirmation of the Unit Option Plan (as described below) and the Deferred Unit Plan, by a majority of the votes cast by the Unitholders, a maximum of 2% of the issued and outstanding Units will be authorized for issuance upon redemption of Deferred Units. Currently, the Deferred Unit Plan authorizes a maximum of 749,022 Units for issuance upon redemption of Deferred Units.

Currently, the Trustees may amend or discontinue the Deferred Unit Plan at any time, provided, however, that no such amendment may materially and adversely affect any Deferred Unit previously granted to a Participant without the consent of the Participant, except to the extent required by law. Any such amendment shall, if required, be subject to the prior approval of, or acceptance by the TSX.

The Board of Trustees may amend or discontinue the Deferred Unit Plan at any time without the approval of or prior notice to the Unitholders of BTB or Participants, for any reason, including for the purposes of amendments of a "housekeeping" nature, which include, without limitation, amendments to ensure continued compliance with applicable laws, regulations, rules or policies of any regulatory authority and amendments to remove any ambiguity contained in the Deferred Unit Plan provided, however, that no such amendment or amendments may change or reduce the Market Value of the Deferred Units, increase the maximum number of Units issuable pursuant to the Deferred Unit Plan or change or extend the terms of the Deferred Units, without obtaining the prior approval of the Unitholders.

At the date hereof, no Deferred Unit has been issued pursuant to the current Deferred Unit Plan.

The Deferred Unit Plan does not provide further restrictions on the number of Deferred Units that can be issued to insiders.

The Deferred Unit is non-assignable other than by will or in accordance with estate laws, or as provided in the letter constating the grant of the Deferred Units.

## **5. Reconfirmation of the Unit Option Plan**

On May 15, 2012, BTB received conditional approval to list its securities on the TSX. The Trustees of BTB intend to reconfirm the Unit Option Plan subject to Toronto Stock Exchange and Unitholder approvals. If reconfirmed, the effective date of the Unit Option Plan will be June 19, 2012. At the Meeting, the Unitholders will be asked to consider and, if deemed advisable, to approve a resolution reconfirming the Unit Option Plan in line with the requirements of the TSX. The amendments include namely updated language for listing the Units on the TSX and other technical, consequential and clerical modifications.

There are currently 95,527,984 Units issued and outstanding. A total of 2,755,000 options to purchase the same number of Units are currently outstanding, representing approximately 2.9% of the issued and outstanding Units. The Unit Option Plan authorizes for issuance such number of Units that is equal to 10% of the aggregate number of Units issued and outstanding from time to time, including any deferred units granted under the Deferred Unit Plan. The reconfirmation of such Unit Option Plan would allow for the immediate increase of the maximum number of Units reserved under such plan to 9,552,798.

To remain effective, the Unit Option Plan will need to be reconfirmed by the Unitholders at the third annual meeting following the present Meeting.

The Unitholders are asked to authorize the issue under the Unit Option Plan of up to such number of Units that is equal to 10% of the aggregate number of Units issued and outstanding from time to time. The Unit Option Plan resolution must be approved by a majority of the votes cast by the Unitholders.

**The Board of Trustees has concluded that the Unit Option Plan is in the best interest of BTB and its Unitholders. Accordingly, the Board of Trustees unanimously recommends that Unitholders vote IN FAVOUR OF the Unit Option Plan resolution.**

### **“BE IT RESOLVED THAT:**

1. The reconfirmation of the Unit Option Plan (the “**2012 Plan**”) as substantially described in this Management Information Circular dated May 22, 2012 is hereby authorized and approved:
2. The number of Units of BTB issuable pursuant to the 2012 Plan be set at 10% of the aggregate number of Units of BTB issued and outstanding from time to time, subject to any limitations imposed by applicable regulations, laws, rules and policies:
3. BTB may grant valid options under the 2012 Plan until June 18, 2015; and
4. Any Trustee or officer of BTB is hereby authorized and directed, acting for, in the name of and on behalf of BTB, to execute or cause to be executed and to deliver or to cause to be delivered, all such other deeds, documents, instruments and to do or cause to be done all such other acts as in the opinion of such Trustee or officer of BTB may be necessary or desirable to carry out the terms of the foregoing resolutions.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote IN FAVOUR OF the resolution reconfirming the Unit Option Plan.**

### ***Description of the Unit Option Plan***

The purpose of the Unit Option Plan is to further align the proprietary interests of the Trustees, senior officers, employees and other consultants to BTB (the "Optionee") with the interests of BTB' Unitholders in general.

The exercise price of options granted under the Unit Option Plan may not be lower than the Market Price (as defined below) of the Units on the trading day immediately preceding the date of the grant of the option. The options are exercisable for a period of up to five years from the date the option is granted.

"Market Price", for the purposes of the Unit Option Plan, means, on any particular day, the market price of one (1) Unit and shall be calculated by reference to the closing price for a board lot of Units on the TSX, on that day, or if at least one (1) board lot of Units shall not have been traded on the TSX on that day, on the immediately preceding day for which at least one (1) board lot was so traded. In the event that the Units are not listed and posted for trading on any stock exchange, the Market Price shall be the fair market value of such Units as determined by the Board of Trustees in its sole discretion.

The aggregate number of Units reserved for issuance at any time to any one Optionee shall not exceed five percent (5%) of the number of Units outstanding on a non-diluted basis at such time, less the total of all Units reserved for issuance to such Optionee pursuant to any other security-based compensation arrangement of BTB. The aggregate number of Units issuable (or reserved for issuance) to insiders of BTB under the Plan and any other security-based compensation arrangement may not at any time exceed ten percent (10%) of the issued and outstanding Units. The aggregate number of Units issued to insiders under the Plan and any other security-based compensation arrangement, within a one-year period, may not exceed ten percent (10%) of the issued and outstanding Units.

The Trustees determine the vesting period applicable to the grant of options. Generally, the options can be exercised in increments of one sixth (1/6) over a period of 18 months following the date of the grant.

An option or interest therein is personal to each Optionee and is non-assignable other than by will or in accordance with estate laws. No option granted under the Unit Option Plan shall be hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of by any Optionee on pain of nullity.

An option, and all rights to purchase Units pursuant thereto, generally expire and terminate immediately upon the Optionee ceasing to be an eligible participant. The Unit Option Plan includes provisions relating to expiration of an option upon the bankruptcy, death, retirement or termination of employment, position or engagement with BTB or any subsidiary of an Optionee while holding an option which has not been fully exercised. However, upon the termination of an Optionee's employment, position or engagement with BTB otherwise than by reason of death, any option or unexercised part thereof granted to such Optionee may be exercised by him for that number of Units only which he was entitled to acquire under the option at the time of such termination or cessation and provided further that such option shall in no event expire later than the earlier of (i) the 90th day following the Optionee's employment, position or engagement being terminated or ceased, and (ii) the expiry date of such option.

Upon the termination of an Optionee's employment, position or engagement with BTB by reason of permanent disability or normal retirement, any option or unexercised part thereof granted to such Optionee may be exercised by him for that number of Units only which he was entitled to acquire under the option at the time of such termination and provided further that such option shall in no event expire later than the earlier of (i) one year following the Optionee's, employment, position or engagement being terminated by reason of permanent disability or normal retirement, and (ii) the expiry date of such option. The provisions relating to such expiration shall be contained in the written option agreement or instrument between BTB and the Optionee.

If an Optionee dies holding an option which has not been fully exercised, his personal representatives, heirs or legatees may, at any time pursuant to the will or letters of administration of the estate of the deceased and prior to the period of time provided under the terms of the written option agreement or

instrument between BTB and the Optionee for exercise of an option upon the death of the Optionee, exercise the option with respect to the unexercised balance of the Units subject to the option, but only to the same extent to which the deceased could have exercised the option immediately before the date of such death, provided that such option shall in no event expire later than the earlier of (i) one (1) year following the Optionee's death, and (ii) the expiry date of such option.

The number of Units subject to the Unit Option Plan shall be increased or decreased proportionately in the event of the subdivision or consolidation of the outstanding units of BTB, and in any such event a corresponding adjustment shall be made changing the number of Units deliverable upon the exercise of any option granted prior to such event without any change in the total price applicable to the unexercised portion of the option, but with a corresponding adjustment in the price for each unit covered by the option. In case BTB is reorganized, appropriate provisions shall be made for the continuance of the options outstanding under this Unit Option Plan and to prevent their dilution or enlargement.

Currently, the Trustees may amend or discontinue the Unit Option Plan at any time, provided, however, that no such amendment may materially and adversely affect any option previously granted to an Optionee without the consent of the Optionee, except to the extent required by law. Any such amendment shall, if required, be subject to the prior approval of, or acceptance by the TSX.

The Board of Trustees may amend or discontinue the Plan at any time without the approval of or prior notice to the Unitholders of BTB or Optionees, for any reason, including for the purposes of:

(a) amendments of a "housekeeping" nature, which include, without limitation, amendments to ensure continued compliance with applicable laws, regulations, rules or policies of any regulatory authority and amendments to remove any ambiguity contained in the Unit Option Plan;

provided, however, that no such amendment or amendments may increase the maximum number of Units issuable pursuant to the Unit Option Plan, change how the minimum Exercise Price is determined (as this term is defined in the Unit Option Plan), extend the terms of the outstanding options, change or exceed the insider participation limit under the Unit Option Plan, without obtaining the approval of the Unitholders.

#### **ADDITIONAL INFORMATION**

Additional information relating to BTB can be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in BTB's consolidated audited financial statements for the financial year ended December 31, 2011 and in the related Management's Discussion and Analysis which have been filed on SEDAR. Unitholders may also contact the Chief Financial Officer of BTB by telephone at 514-286-0188, ext. 230 in order to request copies of these documents.

#### **TRUSTEES' APPROVAL**

The contents of this Management Information Circular and the sending thereof have been approved by the Trustees of BTB.

*(s) Michel Léonard*  
President and Chief Executive Officer

Montreal, Québec  
May 22, 2012