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**BOYD GROUP INCOME FUND**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**for a**

**SPECIAL MEETING OF UNITHOLDERS**

**OF**

**BOYD GROUP INCOME FUND**

**with respect to a**

**PLAN OF ARRANGEMENT**

**involving**

**4612094 MANITOBA INC., BOYD GROUP INCOME FUND, BOYD GROUP HOLDINGS INC., THE BOYD GROUP INC., BOYD GROUP SERVICES INC., the Unitholders of BOYD GROUP INCOME FUND and the Class A Common Shareholders of BOYD GROUP HOLDINGS INC.**

**THIS BOOKLET CONTAINS IMPORTANT INFORMATION. If you have questions or require assistance with voting your units, you may contact Boyd's proxy solicitation agent:**

**Laurel Hill Advisory Group  
North American Toll-Free Number: 1-877-452-7184  
Collect Calls Outside North America: 1-416-304-0211  
Email: [assistance@laurelhill.com](mailto:assistance@laurelhill.com)**



**BOYD GROUP INCOME FUND  
SPECIAL MEETING OF UNITHOLDERS**

**THIS BOOKLET EXPLAINS:**

- details of the matters to be voted upon at the special meeting (the “**Meeting**”) of unitholders of Boyd Group Income Fund (the “**Fund**”); and
- how to exercise your vote even if you are unable to attend the Meeting.

**THIS BOOKLET CONTAINS:**

- a letter from Brock Bulbuck, the Chief Executive Officer of the Fund;
- the notice of Meeting;
- a management information circular (the “**Information Circular**”);
- a form of proxy (a “**Form of Proxy**”) that you may use to vote your units of the Fund (the “**Units**”) without attending the Meeting; and
- a letter of transmittal for registered holders of Units and/or Class A Common shares of Boyd Group Holdings Inc.

**The Information Circular and Form of Proxy are furnished in connection with the solicitation of proxies by or on behalf of the Trustees of the Fund for use at the Meeting to be held on December 2, 2019.**

At the Meeting, unitholders will be asked to consider and, if thought advisable, approve the conversion of the Fund from an income trust to a public corporation.

Your presence, or at least your vote if you are unable to attend in person, is important.

**REGISTERED UNITHOLDERS**

**PLEASE NOTE:** A Form of Proxy is enclosed with this booklet that may be used to vote your Units if you are unable to attend the Meeting in person. Instructions on how to vote using this Form of Proxy are found beginning on page 1 of the Information Circular.

**NON-REGISTERED BENEFICIAL UNITHOLDERS**

**PLEASE NOTE:** If your Units are held on your behalf, or for your account, by a broker, securities dealer, bank, trust company or similar entity (an “**Intermediary**”), you may not be able to vote unless you carefully follow the instructions provided by your Intermediary with this booklet.

October 14, 2019

Dear Unitholders:

You are invited to attend the special meeting (the “**Meeting**”) of the holders (the “**Unitholders**”) of units (the “**Units**”) of Boyd Group Income Fund (the “**Fund**”) to be held at Hilton Winnipeg Airport Suites Hotel, 1800 Wellington Avenue, Winnipeg, Manitoba, on December 2, 2019 at 10:00 a.m. (Winnipeg time).

At the Meeting, the Unitholders will be asked to consider and vote upon a proposed reorganization of the Fund pursuant to a plan of arrangement (the “**Arrangement**”) and to consider the other matters outlined in the accompanying notice of Meeting. The main purpose of the Arrangement is to convert (the “**Conversion**”) the Fund from an income trust to a public corporation.

Some of the reasons for the Conversion are:

- the new structure will simplify the Fund Group’s (as defined herein) interaction with capital providers such as banks, bonding companies and other financial institutions, as well as simplify its dealings with regulatory agencies and equity research analysts;
- the Conversion will greatly simplify the current structure and governance setup, allowing all Unitholders to maintain their current ownership interests in one share class of a public corporation. In addition, it is expected that administrative and overhead costs should be reduced;
- the reorganized structure of the Fund as a corporation with share capital will remove the restriction on non-Canadian ownership imposed on income trusts, which may attract new investors, including additional U.S. and other non-resident investors, providing a more liquid and attractive market for the common shares of New Boyd than the market that currently exists for the Units;
- New Boyd will be able to utilize certain provisions of the *Income Tax Act* (Canada) which provide for flexibility in structuring acquisitions on a tax-deferred basis; and
- the Conversion, in and of itself, will not materially affect the amount of funds that will be available to New Boyd to distribute to its shareholders and it is expected that the board of directors of New Boyd, subject to its discretion, will declare and pay quarterly dividends following the Conversion after consideration of the same factors that are currently taken into account by the Trustees.

In summary, pursuant to the terms of the Arrangement, Unitholders will receive, in exchange for each of their Units, one common share (a “**New Boyd Common Share**”) of Boyd Group Services Inc. (“**New Boyd**”). Each Class A Common Shareholder of Boyd Group Holdings Inc. (“**BGHI**”) other than The Boyd Group Inc. (“**BGI**”) (whose 25,431 Class A Common shares of BGHI will be converted to the equivalent number of Class C Common shares pursuant to the Arrangement), who has not exercised Dissent Rights, will receive one New Boyd Common Share, in exchange for each Class A Common share of BGHI (a “**BGHI Class A Common share**”). As a result of that unit and share exchange, New Boyd will own all of the Fund Units and all of the BGHI Class

A Common shares. New Boyd will continue to operate the business of BGI and its affiliates as presently conducted. There is no anticipated material change in how the business will be conducted going forward by New Boyd.

Unitholders at the Meeting must approve the resolution approving the Arrangement by more than two-thirds of the votes cast, in person or by proxy, in order for the Arrangement to proceed. The Arrangement is also subject to the approval of the Court of Queen's Bench (Manitoba) and the shareholders of BGHI as well as certain other conditions.

The trustees of the Fund (the "Trustees"), based on their own investigations and, with the assistance of management, have concluded that, in their opinion, the Arrangement is in the best interest of the Fund and fair to Unitholders and recommend that Unitholders vote in favour of the Arrangement. The Trustees, directors and the three most senior officers of the Fund and its subsidiaries, who own, directly or indirectly, or exercise control or direction over, approximately 0.6% of the outstanding Units, have indicated that they intend to vote in favour of the Arrangement.

The accompanying information circular provides a detailed description of the Arrangement, including the tax consequences of the exchange for New Boyd Common Shares, information regarding New Boyd and the full text of the arrangement agreement. Please give this material your careful consideration. If you require assistance, consult your financial, tax or other professional advisors.

If you are unable to attend the Meeting in person, please complete and deliver the enclosed form of proxy or voting instruction form in accordance with the instructions set out in the accompanying information circular so that your Units can be voted at the Meeting.

On behalf of the Trustees and officers of the Fund, I would like to thank you for your continued support of the Fund. We look forward to seeing you at the Meeting.

Yours very truly,

(signed) "*Brock Bulbuck*"

Brock Bulbuck  
Chief Executive Officer, Boyd Group Income Fund

<p>If you have any questions or need assistance with voting your units, please contact Laurel Hill Advisory Group, the proxy solicitation agent, by telephone at: 1-877-452-7184 (North American Toll Free) or 1-416-304-0211 (Collect Outside North America); or by email at: <a href="mailto:assistance@laurelhill.com">assistance@laurelhill.com</a></p>
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## BOYD GROUP INCOME FUND

### NOTICE OF SPECIAL MEETING OF UNITHOLDERS

**NOTICE IS HEREBY GIVEN** that a Special Meeting of the Unitholders of Boyd Group Income Fund (the “Fund”) will be held at the Hilton Winnipeg Airport Suites Hotel, 1800 Wellington Avenue, Winnipeg, Manitoba on Monday, December 2, 2019 at 10:00 a.m. (local time) for the following purposes:

- (a) to consider, pursuant to an interim order of the Court of Queen’s Bench (Manitoba) dated October 1, 2019, and, if deemed advisable, passage, with or without alteration or modification, of a special resolution, the full text of which is set forth in Appendix “A” to the accompanying Information Circular, approving a plan of arrangement (the “**Arrangement**”) under Section 192 of the *Canada Business Corporations Act* involving Boyd Group Services Inc. (“**New Boyd**”), the Fund, 4612094 Manitoba Inc. (“**4612094**”), Boyd Group Holdings Inc. (“**BGHI**”), The Boyd Group Inc. (“**BGI**”), the unitholders of the Fund and the Class A Common Shareholders of BGHI, providing, inter alia, for the conversion of the Fund from an income trust to a public corporation with each such unitholder of the Fund and Class A Common Shareholder of BGHI receiving one common share of New Boyd in exchange for each unit and Class A Common share held, respectively;
- (b) to transact such other business as may properly come before the Meeting or any adjournment thereof.

As a unitholder, you are entitled to attend the Meeting and to cast one vote for each unit (collectively, the “**Units**”) of the Fund that you own. If you are a registered unitholder and are unable to attend the Meeting, you will still be able to vote on the items of business set out below by completing the form of proxy (a “**Form of Proxy**”) included with the management information circular (the “**Information Circular**”). The Information Circular explains how to complete the Form of Proxy and how the voting process works. **To be valid, registered unitholders must submit the Form of Proxy to the Secretary of the Fund, c/o the Fund’s transfer agent, Computershare Investor Services Inc. (“Computershare”), 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department or via Phone: 1-866-732-8683, or by Internet voting at [www.investorvote.com](http://www.investorvote.com), at least 24 hours (excluding Saturdays, Sundays and statutory or civic holidays in the City of Winnipeg) prior to the Meeting or any adjournments or postponements thereof, failing which the proxy will be invalid or registered unitholders may present the Form of Proxy at the Meeting prior to commencement of the Meeting or any adjournments or postponements thereof.**

If you are a non-registered beneficial unitholder, you must follow the instructions provided by your broker, securities dealer, bank, trust company or similar entity in order to vote your Units.

This notice is accompanied by a Form of Proxy or voting instruction form, the Information Circular, and the Letter of Transmittal.

The Trustees have fixed the close of business on October 14, 2019 as the record date for the determination of holders of Units entitled to receive notice of and to vote at the Meeting or any adjournments or postponements thereof.

**BY ORDER OF THE BOARD OF TRUSTEES**

(signed) "*Brock Bulbuck*"

Winnipeg, Manitoba October 14, 2019

Brock Bulbuck  
Chief Executive Officer, Boyd Group Income Fund

# MANAGEMENT INFORMATION CIRCULAR

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## INTRODUCTION

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the trustees (referred to as the “**Trustees**”) of Boyd Group Income Fund (the “**Fund**”) to all of the holders (the “**Unitholders**”) of units (the “**Units**”) of the Fund, for use at the special meeting (the “**Meeting**”) of Unitholders, together with a notice of Meeting, form of proxy (a “**Form of Proxy**”) or voting instruction form (“**VIF**”) and Letter of Transmittal. References in this Information Circular to the Meeting include any adjournments or postponements thereof.

No person has been authorized to give any information or to make any representation in connection with the proposed reorganization of the Fund pursuant to a plan of arrangement (the “**Arrangement**”) or any other matters to be considered at the Meeting other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized. Solicitation of proxies is being made by or on behalf of the Trustees and will be primarily by mail, but may also be undertaken by way of telephone, facsimile, e-mail or oral communication by the Trustees, officers or agents of the Fund, for no additional compensation. The Fund has also retained Laurel Hill Advisory Group (“**Laurel Hill**”) to assist it in connection with the Fund’s communications with Unitholders. In connection with these services, Laurel Hill is expected to receive a fee of approximately \$40,000 plus out-of-pocket expenses. All costs associated with the solicitation of proxies will be borne by the Fund.

The Trustees have fixed the close of business on October 14, 2019 as the record date, being the date for the determination of registered Unitholders entitled to receive notice of and to vote at the Meeting. Duly completed and executed Forms of Proxy or VIFs must be received in the manner specified on the form no later than 24 hours (excluding Saturdays, Sundays and statutory or civic holidays in the City of Winnipeg) before the time of the Meeting or any adjournments or postponements thereof, or registered Unitholders may present the Form of Proxy at the Meeting prior to commencement of the Meeting or any adjournments or postponements thereof. See “General Proxy Matters – Appointment and Revocation of Proxies”.

All summaries of, and references to, the Arrangement in this Information Circular are qualified in their entirety by reference to the complete text of the plan of arrangement (the “**Plan of Arrangement**”) in connection with the arrangement agreement dated September 19, 2019 (the “**Arrangement Agreement**”), a copy of which is attached as Exhibit “A” to the Arrangement Agreement attached as Appendix “D” to this Information Circular. **You are urged to read carefully the full text of the Plan of Arrangement.**

All capitalized terms used in this Information Circular but not otherwise defined herein shall have the meanings set forth under “Glossary of Terms”. Unless otherwise stated, information contained in this Information Circular is given as of October 14, 2019.

## GENERAL PROXY MATTERS

### Appointment and Revocation of Proxies

A Form of Proxy or VIF is enclosed. If it is not your intention to be present in person at the Meeting, you are asked to sign, date and return the Form of Proxy or VIF by one of the methods described below.

The persons named in the enclosed Form of Proxy or VIF as proxyholders are Trustees of the Fund and have indicated their willingness to represent, as proxyholders, the persons who appoint them.

**Each person who is the registered Unitholder is entitled to appoint a person or company (who need not be a Unitholder) other than the persons designated in the enclosed Form of Proxy to represent the Unitholder at the Meeting.** That right may be exercised by inserting the name of such other person or company in the blank space provided in the enclosed Form of Proxy or by completing another Form of Proxy and depositing it in the manner and within the time frame specified below. Unitholders who name another person or company on the Form of Proxy to represent them at the Meeting should notify such person or company, obtain that person's or company's consent to act as proxy and instruct such person or company how to vote the Unitholder's Units. The Form of Proxy should be dated and signed by the Unitholder or by an attorney of the Unitholder authorized in writing in accordance with the notes forming part of the Form of Proxy.

Pursuant to the Fund Declaration of Trust, BGHI is deemed to be a Unitholder and has the right to receive notice of, attend and vote at all meetings of Unitholders and grant proxies for such voting rights, as though, immediately prior to any such meeting, BGHI had been issued and was the registered holder of the number of Units equal to the number of BGHI Class A Common shares then issued and outstanding. At any meeting of Unitholders, BGHI and any of its designated proxies shall be treated for all purposes as Unitholders, except with respect to quorum requirements and the constitution of a quorum. Unless otherwise indicated, all references herein to a Unitholder or Unitholders shall include BGHI, in its capacity as a deemed Unitholder under the Fund Declaration of Trust. BGHI has agreed to exercise its voting rights with respect to the Arrangement by voting in favour of or against in the same proportions as, and only to the extent that, votes are cast by the BGHI Class A Common Shareholders in favour of, or against, the BGHI Arrangement Resolution at the BGHI Meeting.

The Form of Proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Secretary of the Fund, c/o Computershare Trust Company of Canada, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department or via Phone: 1-866-732-8683, or by Internet voting at [www.investorvote.com](http://www.investorvote.com), at least 24 hours (excluding Saturdays, Sundays and statutory or civic holidays in the City of Winnipeg) prior to the Meeting or any adjournment thereof, failing which the proxy will be invalid.

**Registered Unitholders have the power to revoke Forms of Proxy previously given to them. A Registered Unitholder who has given a proxy may revoke it by depositing with the Secretary c/o Computershare Trust Company of Canada, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department or via Phone: 1-866-732-8683,**

**another Form of Proxy bearing a later date or a revocation of proxy, signed by the Unitholder, or an attorney of the Unitholder authorized in writing, prior to the close of business on the last business day prior to the Meeting or any adjournment thereof. The Unitholder may also revoke the proxy and vote in person by depositing such revocation of proxy with the Chair of the Meeting at the Meeting or any adjournment thereof, or may revoke the proxy in any other manner permitted by law. A Unitholder will be bound by any vote that may have been registered by a duly appointed proxy prior to any revocation of that proxy in the manner described above.**

**Beneficial Unitholders who wish to change their vote must, in sufficient time in advance of the Meeting arrange for their respective Intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out above.**

### **Voting of Proxies**

On any ballot that may be called at the Meeting or any adjournment thereof, the persons appointed in the enclosed Form of Proxy or VIF will vote all Units for or against, or will withhold from voting them in accordance with the instruction given with respect to each resolution expressly set out in the Form of Proxy or VIF. **If instruction is not given with respect to any such matter, the Units will be voted FOR such matter.**

The enclosed Form of Proxy or VIF confers discretionary authority upon the persons appointed therein with respect to amendments and variations to matters identified in the Notice of Special Meeting and Information Circular and with respect to any other matters which may properly come before the Meeting. The Units represented by the proxy will be voted on such matters, in the discretion of and in accordance with the best judgment of, the person voting such Units. As of the date of this Information Circular, management of the Fund knows of no matters to come before the Meeting other than the matters identified in the Notice of Special Meeting and Information Circular. If any matters which are not now known should properly come before the Meeting, the persons appointed in the proxy will vote on such matters in their discretion, in accordance with their best judgment.

### **Record Date and Entitlement to Vote**

The Fund will prepare, as at the close of business on October 14, 2019 (the “**Record Date**”), a list of the registered Unitholders entitled to receive the Notice of Special Meeting and Information Circular and the number of Units held by each such Unitholder. A holder of Units named in the list is entitled to vote the Units shown opposite such Unitholder’s name at the Meeting. In accordance with the Fund Declaration of Trust, if any such Unitholder has transferred the ownership of any Units after October 14, 2019, the transferee of those Units is not entitled to vote such Units at the Meeting or any adjournment thereof.

On October 14, 2019, 19,873,645 Units of the Fund were issued and outstanding. Each Unit entitles the holder thereof to one vote. Pursuant to the Fund Declaration of Trust, BGHI is deemed to be a Unitholder and has the right to receive notice of, attend and vote at all meetings of Unitholders and grant proxies for such voting rights, as though, immediately prior to any such meeting, BGHI had been issued and was the registered holder of the number of Units equal to the

number of BGHI Class A Common shares then issued and outstanding. At any meeting of Unitholders, BGHI and any of its designated proxies shall be treated for all purposes as Unitholders, except with respect to quorum requirements and the constitution of a quorum. BGHI has agreed to exercise its voting rights with respect to the Arrangement by voting in favour of or against in the same proportions as, and only to the extent that, votes are cast by the BGHI Class A Common Shareholders in favour of, or against, the BGHI Arrangement Resolution at the BGHI Meeting. On October 14, 2019, 211,416 BGHI Class A Common shares were issued and outstanding.

### **Quorum**

A quorum for the Meeting requires at least two (2) Unitholders (not including BGHI) present in person and holding or representing by proxy not less than 5% of all issued and outstanding Units entitled to vote at such meeting. BGHI's entitlement to attend the Meeting and vote thereat in respect of the BGHI Class A Common shares is not considered with respect to quorum requirements and constitution of a quorum.

### **Principal Holders of Units**

To the best of the knowledge of the Trustees and executive officers of the Fund, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, Units carrying 10% or more of the voting rights attached to the Units. CDS & Co., the registration name for CDS Clearing and Depository Services Inc., is the registered owner of more than 10% of the Units. See "Advice to Beneficial Holders of Units".

As at October 14, 2019, there were 211,416 BGHI Class A Common shares issued and outstanding, representing approximately 1.1% of all votes attached to the Units. See "General Proxy Matters - Appointment and Revocation of Proxies".

## **FORWARD LOOKING STATEMENTS**

This Information Circular contains certain forward-looking information within the meaning of applicable Canadian securities laws. All information other than statements of present or historical fact is forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "forecast", "may", "will", "achieve", "project", "schedule", "should", or similar words suggesting future outcomes. In particular, this Information Circular contains forward-looking statements relating to:

- the benefits of the Arrangement;
- the timing of the Final Order (as defined herein);
- the occurrence of the Effective Date (as defined herein);
- the satisfaction of conditions for listing of the New Boyd Common Shares (as defined herein) on the Toronto Stock Exchange (the "TSX");

- the treatment of Unitholders, the Fund and New Boyd (as defined herein) under tax laws;
- the business to be carried on by New Boyd following completion of the Arrangement; and
- the potential for dividend payments to be made by New Boyd.

Forward-looking information regarding:

- the perceived benefits of the Arrangement are based upon the financial and operating attributes of the Fund as at the date hereof, anticipated operating and financial results from the date hereof to the Effective Date, the views of Management (as defined herein) and the Trustees respecting the benefits associated with the Arrangement and current and anticipated market conditions. See “Business of the Special Meeting – Recommendation of the Trustees” for additional information;
- the attributes of New Boyd following completion of the Arrangement are based upon the existing attributes of the Fund (including financial and operating attributes) and the opinions of Management concerning perceived benefits associated with the Arrangement. See Appendix “E” and “Business of the Special Meeting – Recommendation of the Trustees” for additional information;
- the structure and effect of the Arrangement are based upon the terms of the Arrangement Agreement and the transactions contemplated thereby, assumptions that all conditions in the Arrangement Agreement will be met and assumptions that the representations and warranties in the Arrangement Agreement will be true and correct at all applicable times. See Appendix “D” for additional information;
- the consideration to be received by Unitholders as a result of the Arrangement is based upon the terms of the Arrangement Agreement and the Plan of Arrangement; and
- certain steps in, and timing of, the Arrangement are based upon the terms of the Arrangement Agreement and advice received from counsel of the Fund relating to timing expectations.

Other forward-looking information regarding the Fund and New Boyd is located in the documents incorporated by reference herein and is based on certain key expectations and assumptions of the Fund concerning anticipated financial performance, business prospects, strategies, regulatory developments, exchange rates, tax laws, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services and the ability to obtain financing on acceptable terms, market conditions and potential timing delays. Although Management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By its very nature, forward-looking information involves inherent risks and uncertainties (both general and specific) and risks that the anticipated results will not be achieved. Undue reliance should not be placed on forward looking information, as a number of important factors could cause

the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in the forward-looking information, including those set out below and those detailed elsewhere in this Information Circular (and in documents incorporated by reference herein):

- failure of the parties to the Arrangement Agreement to satisfy the conditions set out therein;
- inability to meet TSX listing requirements;
- inability to obtain required consents, permits or approvals, including the approval of the Court (as defined herein) of the Arrangement and Unitholders' approval of the resolution approving the Arrangement;
- failure to realize anticipated benefits of the Arrangement;
- failure to implement the post-Arrangement transactions referenced in this Information Circular; and
- the other factors discussed in the Fund's AIF (as defined herein) and Management's discussion and analysis of the Fund for the year ended December 31, 2018 incorporated by reference herein and the risk factors set forth under "Risk Factors".

Readers are cautioned that the foregoing list is not exhaustive.

The reader is further cautioned that the preparation of financial statements, including unaudited *pro forma* financial information, in accordance with IFRS requires Management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes.

The information contained in this Information Circular, including the documents incorporated by reference herein, identify additional factors that could affect the operating results and performance of the Fund and New Boyd. We urge you to carefully consider those factors.

The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. The forward-looking information contained herein is made as of the date of this Information Circular and the Fund undertakes no obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

### **ADVICE TO BENEFICIAL HOLDERS OF UNITS**

The information set forth in this section is important to many Unitholders, as a substantial number of such persons do not hold Units in their own name.

Holders who do not hold their Units in their own name (the "**Beneficial Unitholders**") should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by

Unitholders whose names appear on the records maintained by or on behalf of the Fund as the registered holders of Units on the date of record. If such Units are listed in an account statement provided to a Unitholder by a broker or other intermediary, then in almost all cases those Units will not be registered in that holder's name on the records of the Fund. Such Units will more likely be registered under the name of the holder's broker, an agent or nominee of that broker or another intermediary. In Canada, the vast majority of such units are typically registered under the name of CDS & Co., the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms. Units held by brokers or their agents or nominees or another intermediary can only be voted upon the instructions of the Beneficial Unitholder. Without specific instructions, the intermediaries are prohibited from voting the Units for their clients. The Fund does not know for whose benefit Units registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Unitholders in advance of Unitholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their Units are voted at the Meeting. Often, the VIF supplied to a Beneficial Unitholder by its broker is identical to Form of Proxy provided to registered Unitholders; however, its purpose is limited to instructing the registered Unitholder how to vote on behalf of the Beneficial Unitholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable VIF in lieu of the Form of Proxy. The Beneficial Unitholder is requested to complete and return the VIF to Broadridge by mail or facsimile. Alternatively, the Beneficial Unitholder can call a toll-free telephone number or go online to [www.proxyvote.com](http://www.proxyvote.com) to provide instructions regarding the voting of the Units held by the Beneficial Unitholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Units to be represented at the Meeting. A Beneficial Unitholder receiving a VIF cannot use that VIF to vote Units directly at the Meeting as the VIF must be returned as directed by Broadridge well in advance of the Meeting in order to have such Units voted. Certain Beneficial Unitholders who have not objected to the Fund knowing who they are (non-objecting beneficial owners) may be contacted by Laurel Hill Advisory Group to conveniently obtain a vote directly over the phone.

If you are a Beneficial Unitholder, you may only attend the Meeting as a proxyholder for the registered holder and vote your Units, as applicable, in that capacity. To do this, you should enter your own name (or the name of such other person the Beneficial Unitholder wishes to attend and vote on his or her behalf) in the blank space on the applicable VIF provided to you and return the document to your broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker or intermediary **well in advance of the Meeting**.

See "General Proxy Matters" for additional information.

#### **INFORMATION FOR UNITED STATES SECURITYHOLDERS**

**THE SECURITIES ISSUABLE IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES**



**AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE; NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE PASSED UPON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

The New Boyd Common Shares to be issued in connection with the Arrangement have not been registered under the United States *Securities Act of 1933*, as amended, and are being issued in reliance on the exemption from registration set forth in Section 3(a)(10) thereof on the basis of the approval of the Court (as defined herein), which will consider, among other things, the fairness of the Arrangement to Unitholders. See “Business of the Special Meeting — Securities Law Matters” for additional information.

Unitholders should be aware that the acquisition of the securities described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are residents in, or citizens of, the United States are not described in any detail herein. U.S. securityholders should consult their own tax advisors with respect to their own particular circumstances.

The solicitation of proxies hereby is not subject to the proxy requirements of Section 14(a) of the United States *Securities Exchange Act of 1934*, as amended (the “**1934 Act**”), by virtue of an exemption applicable to proxy solicitations by “foreign private issuers”, as defined in Rule 3b-4 under the 1934 Act. This Information Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Securityholders in the United States should be aware that such requirements are different than those of the United States.

Financial information included or incorporated by reference herein have been prepared in accordance with IFRS, and are subject to auditing and auditor independence standards in Canada. That financial information may not be comparable to financial information of United States companies, and auditing and auditor independence standards may be different.

The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Fund and its consolidated operations and a number of its subsidiaries and affiliates (the “**Fund Group**”) are incorporated or organized outside the United States, that some of their officers, directors and Trustees and the experts named herein are residents of a foreign country, and that a substantial portion of the assets of some of the members of the Fund Group and some of said persons are located outside the United States. As a result, it may be difficult or impossible for U.S. securityholders to effect service of process within the United States upon any members of the Fund Group, their officers, directors and Trustees or the experts named herein, or to realize, against them, upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States. In addition, U.S. securityholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States; or (b) would enforce, in original

actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States.

### **DOCUMENTS INCORPORATED BY REFERENCE**

Information has been incorporated by reference in this Information Circular from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference in this Information Circular may be obtained from SEDAR at [www.sedar.com](http://www.sedar.com), on the Fund’s website at [www.boydgroup.com](http://www.boydgroup.com) or on request without charge from the Chief Financial Officer of the Fund at 1745 Ellice Avenue, Unit C1, Winnipeg, Manitoba R3H 1A6, or at (204) 895-1244, ext. 33841. The following documents are specifically incorporated by reference into, and form an integral part of, this Information Circular:

- (a) the 2019 AIF;
- (b) the 2019 Annual Meeting Circular; and
- (c) the material change report of the Fund dated September 17, 2019 regarding the proposal to convert the Fund from an income trust to a corporate structure.

**Any document of the type referred to in the preceding paragraph and any material change report (excluding confidential material change reports) or press release filed by the Fund with a securities commission or similar authority in Canada after the date of this Information Circular and prior to the Meeting that specifically states that it is intended to be incorporated by reference into this Information Circular will be deemed to be incorporated by reference into this Information Circular.**

**Any statement contained in a document incorporated or deemed to be incorporated by reference in this Information Circular or contained in this Information Circular is deemed to be modified or superseded, for purposes of this Information Circular, to the extent that a statement contained in this Information Circular or in any other document subsequently filed with a securities commission or other similar organization in Canada which also is or is deemed to be incorporated by reference in this Information Circular modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Information Circular.**

## GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Information Circular, including the Summary hereof:

“**2019 AIF**” means the annual information form of the Fund dated March 20, 2019;

“**2019 Annual Meeting Circular**” means the information circular and proxy statement of the Fund dated March 27, 2019, relating to the annual meeting of the Fund Unitholders held on May 15, 2019;

“**1933 Act**” means the United States *Securities Act of 1933*, as amended;

“**1934 Act**” means the United States *Securities Act of 1934*, as amended;

“**4612094**” means 4612094 Manitoba Inc., a corporation incorporated and existing under *The Corporations Act* of Manitoba;

“**affiliate**” has the meaning assigned to “affiliated companies” in the CBCA;

“**Agent**” means a person appointed to act on behalf of another;

“**Amended BGI DSU**” means the BGI DSU, as amended in accordance with the terms as described in this Information Circular, and which becomes effective at the Effective Time;

“**Arrangement**” means the proposed reorganization of the Fund and BGHI pursuant to a plan of arrangement under Section 192 of the CBCA for the purpose of the Conversion;

“**Arrangement Agreement**” means the arrangement agreement dated September 19, 2019 among New Boyd, the Fund, BGHI, 4612094 and BGI, pursuant to which New Boyd, the Fund, 4612094, BGHI and BGI have proposed to implement the Arrangement, a copy of which agreement is attached as Appendix “D” to this Information Circular, as it may be amended, modified or supplemented from time to time;

“**Arrangement Resolution**” means a special resolution in accordance with the Interim Order approving the Arrangement, the full text of which is set forth in Appendix “A” in this Information Circular;

“**Articles of Arrangement**” means the articles of arrangement in respect of the Arrangement required under Subsection 192(6) of the CBCA to be filed with the Director after the Final Order has been granted;

“**Articles of Incorporation**” means the articles of incorporation of New Boyd, as amended pursuant to the Plan of Arrangement;

“**associate**” has the meaning specified in the CBCA;

“**Beneficial Unitholders**” means persons who do not hold their Units in their own name;

“**BGHI**” means Boyd Group Holdings Inc., a corporation continued and existing under the CBCA;

“**BGHI Arrangement Resolution**” means the special resolution of the shareholders of BGHI Shareholders presented at the BGHI Meeting;

“**BGHI Class A Common shares**” means the issued and outstanding Class A Common shares of BGHI, from time to time;

“**BGHI Class B Common shares**” means the issued and outstanding Class B Common shares of BGHI, from time to time;

“**BGHI Class C Common shares**” means the authorized Class C Common shares of BGHI;

“**BGHI Class A Common Shareholders**” means the holders of BGHI Class A Common shares, from time to time;

“**BGHI Class B Common Shareholders**” means the holders of BGHI Class B Common shares, from time to time;

“**BGHI Information Circular**” means the management information circular of BGHI dated October 14, 2019, including all appendices thereto, to be distributed to BGHI Shareholders in respect of the BGHI Meeting;

“**BGHI Meeting**” means the special meeting of BGHI Shareholders to be held on December 2, 2019 and any adjournments or postponements thereof, to consider and vote on, among other things, the BGHI Arrangement Resolution and related matters;

“**BGHI Shares**” means, collectively, the BGHI Class A Common shares, the BGHI Class B Common shares and the BGHI Voting shares, from time to time;

“**BGHI Voting shares**” means the issued and outstanding voting shares of BGHI, from time to time;

“**BGHI Voting Shareholders**” means the holders of BGHI Voting shares, from time to time;

“**BGHI Shareholders**” means the holders of BGHI Class A Common shares, BGHI Class B Common shares and BGHI Voting shares, from time to time;

“**BGI**” means The Boyd Group Inc., a corporation continued and existing under the CBCA;

“**BGI Class A Preferred Shares**” means the authorized Class A Preferred Shares of BGI;

“**BGI Class B Preferred Shares**” means the authorized Class B Preferred Shares of BGI;

“**BGI Class I shares**” means the issued and outstanding Class I shares of BGI;

“**BGI Class II shares**” means the issued and outstanding Class II shares of BGI;

“**BGI Class IV shares**” means the issued and outstanding Class IV shares of BGI;

“**BGI Preferred Shares**” means the authorized Preferred Shares of BGI;

“**BGI Voting Shares**” means the authorized Voting Shares of BGI;

“**BGI DSU**” means the deferred share unit plan adopted by BGI on December 22, 2015, effective December 31, 2015;

“**BGI Shares**” means, collectively, the BGI Class I, II and IV shares;

“**Boyd US**” means The Boyd Group (U.S.) Inc., a corporation incorporated under the laws of the State of Delaware;

“**Broadridge**” means Broadridge Financial Solutions, Inc.;

“**Business Day**” means a day, other than a Saturday, Sunday or statutory or civic holiday, when banks are generally open in the City of Winnipeg, in the Province of Manitoba, for the transaction of banking business;

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C., 1985, c.C-44, as amended, including the regulations promulgated thereunder;

“**Computershare**” means Computershare Investor Services Inc.;

“**Conversion**” means the conversion of the Fund from an income trust into a public corporation pursuant to the Arrangement;

“**Court**” means the Court of Queen’s Bench (Manitoba);

“**CRA**” means the Canada Revenue Agency;

“**Depository**” means Computershare, or such other person as may be designated by the Fund;

“**Director**” means the director appointed under Section 260 of the CBCA;

“**Dissent Rights**” means the rights of BGHI Shareholders to dissent in respect of the Arrangement pursuant to the procedures set forth in Appendix A of the Plan of Arrangement;

“**Effective Date**” means the date the Arrangement is effective under the CBCA;

“**Effective Time**” means 7:00 a.m. (Winnipeg time) on the Effective Date, or such other time on the Effective Date as may be specified in writing by New Boyd;

“**Eligible Institution**” means a Canadian schedule 1 chartered bank, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP); members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Industry Regulatory Organization of Canada, members of the Financial Industry Regulatory Authority or banks and trust companies in the United States;

**“Fair Market Value”** means the fair market value of each of the BGI Class I shares, BGI Class II shares and BGI Class IV shares, respectively, as determined by the board of directors of BGI;

**“Final Order”** means the final order of the Court approving the Arrangement pursuant to Subsection 192(4) of the CBCA, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction;

**“Form of Proxy”** means the form of proxy distributed by the Fund in connection with the Meeting;

**“Fund”** means Boyd Group Income Fund, a trust established and existing under the laws of the Province of Manitoba pursuant to the Fund Declaration of Trust;

**“Fund Declaration of Trust”** means the amended and restated declaration of trust of the Fund dated as of February 25, 2003, as amended on August 21, 2003 and as further amended on May 15, 2018, governing the Fund, as further amended, supplemented or restated from time to time;

**“Fund Group”**, when referring to the organizational structure of that group as a whole means, collectively, the Fund, BGI, BGHI and Boyd US and when referring to the group in terms of carrying on the active business of the organization means BGI and its direct and indirect subsidiaries;

**“Fund Units”** means the issued and outstanding units of beneficial interest of the Fund designated as “Trust Units” under the Fund Declaration of Trust;

**“Fund Unitholders”** means the holders of the Fund Units from time to time;

**“IFRS”** means the International Financial Reporting Standards issued by the International Accounting Standards Board, as amended;

**“Information Circular”** means this management information circular distributed by the Fund in connection with the Meeting;

**“Interim Order”** means the interim order of the Court dated October 1, 2019 under Subsection 192(4) of the CBCA containing declarations and directions with respect to the Arrangement and the Meeting and issued pursuant to the application of New Boyd, 4612094, BGI and BGHI, a copy of which is attached as Appendix “B” to this Information Circular, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

**“Intermediary”** means securities held on behalf, or for the account, of a beneficial holder, by a broker, securities dealer, bank, trust company or similar entity;

**“Letter of Transmittal”** means the letter of transmittal that accompanies this Information Circular;

**“Fund LTIP”** means the long term incentive plan for employees of BGI and its affiliates, to be cancelled prior to the Effective Date;

**“Management”** means management of the Fund Group;

“**Meeting**” means the special meeting of Unitholders to be held on December 2, 2019 and any adjournments or postponements thereof, to consider and to vote on the Arrangement Resolution and the other matters set out in the Notice of Meeting;

“**Minister**” means the Minister of Finance (Canada);

“**New Boyd**” means Boyd Group Services Inc., a corporation incorporated under the CBCA that will own, directly and indirectly, all of the existing business of BGI and its subsidiaries upon completion of the Conversion;

“**New Boyd Common Shareholders**” means the holders of New Boyd Common Shares following completion of the Conversion;

“**New Boyd Common Shares**” means the authorized common shares of New Boyd;

“**New Boyd LTIP**” means the long term incentive plan for employees of New Boyd and its affiliates to become effective at the Effective Time;

“**Non-Resident**” has the meaning set forth under the heading “Certain Federal Income Tax Considerations - Fund Unitholders Not Resident in Canada”;

“**Notice of Meeting**” means the notice of the Meeting that accompanies this Information Circular;

“**person**” includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, any government or government entity, or any other entity, whether or not having legal status;

“**Plans**” means trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts, each as defined in the Tax Act;

“**Plan of Arrangement**” means the plan of arrangement attached as Exhibit “A” to the Arrangement Agreement, which agreement is attached as Appendix “D” to this Information Circular, as amended, modified or supplemented from time to time in accordance with the terms thereof;

“**Record Date**” means October 14, 2019;

“**Resident**” has the meaning set forth under the heading “Certain Canadian Federal Income Tax Considerations - Fund Unitholders Resident in Canada”;

“**Retraction Notice**” has the meaning assigned to it by the Articles of Continuance for BGHI dated February 23, 2003;

“**SIFT**” means a specified investment flow-through trust or partnership, as defined in the Tax Act;

“**SIFT Rules**” means the rules relating to the tax treatment of SIFTs contained in Bill C-52, the Budget Implementation Act, 2007, which received Royal Assent on June 22, 2007;

“**Tax Act**” means the *Income Tax Act* (Canada), including the regulations promulgated thereunder, in each case as amended;

“**Trustees**” means, at any time, the individuals who are, in accordance with the Fund Declaration of Trust, the trustees of the Fund at such time;

“**TSX**” means the Toronto Stock Exchange;

“**U.S. Securityholder**” has the meaning set forth under the heading “The Arrangement - Securities Laws Matters - United States”;

“**Units**” means the Fund Units; and

“**Unitholders**” means the Fund Unitholders;

Words importing the singular include the plural and vice versa and words importing any gender include all genders.



## SUMMARY

*The following is a summary of certain information contained elsewhere in this Information Circular. It is not, and is not intended to be, complete in itself. This is a summary only and is qualified in its entirety by the more detailed information appearing elsewhere in this Information Circular and/or incorporated by reference herein. Unitholders are urged to review carefully this Information Circular, including the appendices, and the documents incorporated by reference in their entirety. Certain capitalized terms used in this Information Circular have the meanings set forth in the “Glossary of Terms”.*

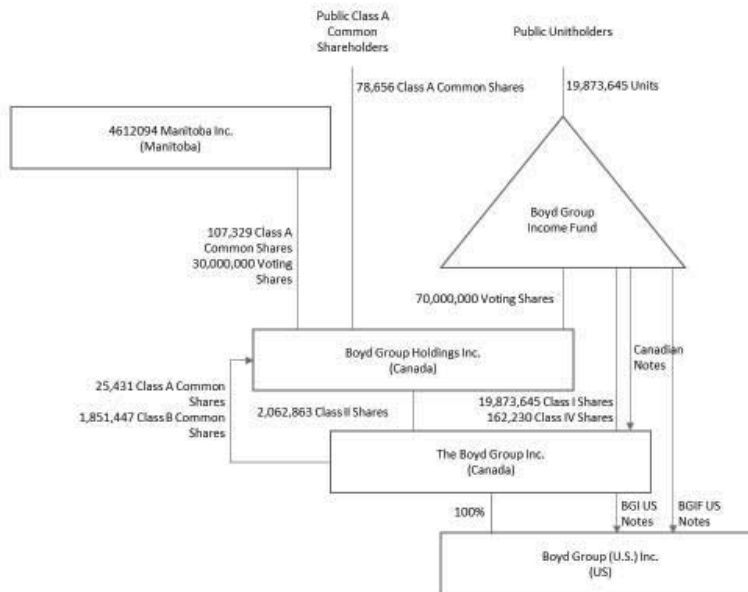
### **The Meeting**

The Meeting will be held at Hilton Winnipeg Airport Suites Hotel, 1800 Wellington Avenue, Winnipeg, Manitoba on Monday, December 2, 2019, commencing at 10:00 a.m. (Winnipeg time) for the purposes set forth in the accompanying Notice of Meeting. The business of the Meeting will be to consider and vote on the Arrangement Resolution and such other business as may properly come before the Meeting.

As of the date of this Information Circular, the Trustees are not aware of any changes to the aforesaid business of the Meeting, and do not expect any other items to be brought forward at the Meeting. If there are changes or new items, your proxyholder can vote your Units on these items as he or she sees fit. See “General Proxy Matters” for additional information.

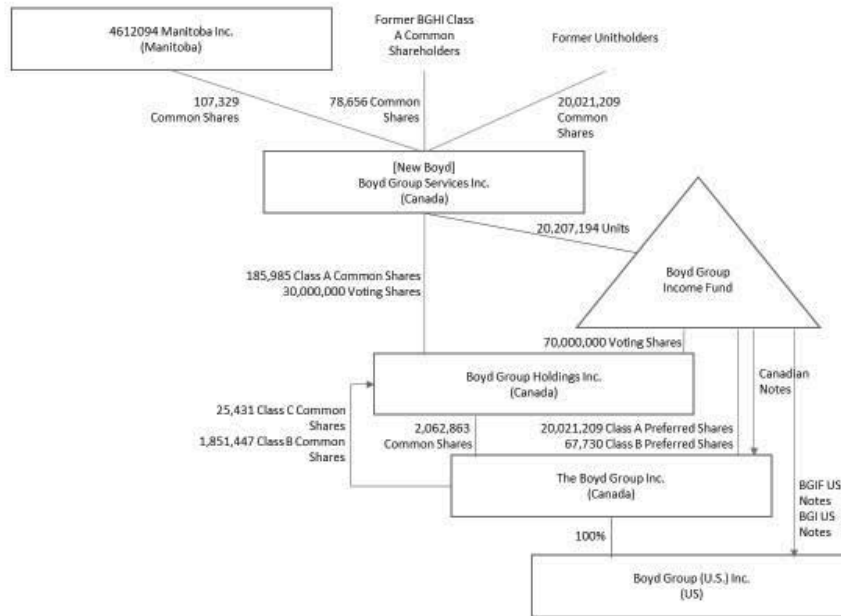
## The Fund's Current Organizational Structure

The current organizational structure of the Fund Group is illustrated by the following diagram<sup>1</sup>.

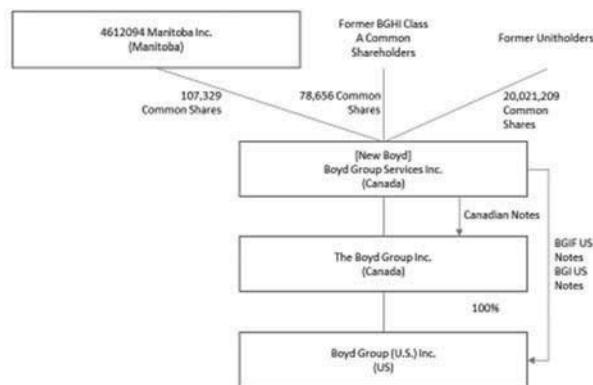


<sup>1</sup> Does not include the Units issuable to Brock Bulbuck, the CEO of the Fund, and Timothy O'Day, the President of the Fund, upon the exercise of their options. See "Business of the Special Meeting – Pre-Arrangement Steps – Exercise of Options".

Immediately following the completion of the Arrangement and throughout the 2020 fiscal year, it is anticipated that the organizational structure of New Boyd will be as follows<sup>2</sup>:



During 2021, it is anticipated that the organizational structure of New Boyd will be as follows<sup>3</sup>:



<sup>2</sup> Includes the New Boyd Common Shares issued to Brock Bulbuck, the CEO of the Fund, and Timothy O'Day, the President of the Fund, upon the exercise of their options. See "Business of the Special Meeting – Pre-Arrangement Steps – Exercise of Options".

<sup>3</sup> Includes the New Boyd Common Shares issued to Brock Bulbuck, the CEO of the Fund, and Timothy O'Day, the President of the Fund, upon the exercise of their options. See "Business of the Special Meeting – Pre-Arrangement Steps – Exercise of Options".

## **The Arrangement**

### ***General***

If approved, the Arrangement will result in the conversion of the Fund from an income trust to a public corporation named “Boyd Group Services Inc.”, which will continue the business of BGI and its subsidiaries as one of the largest operators of non-franchised collision repair centres in North America in terms of number of locations and sales. Pursuant to the Arrangement, the Fund Unitholders and the BGHI Class A Common Shareholders will become the only holders of New Boyd Common Shares. See “Business of the Special Meeting — Arrangements Steps” for additional information.

It is anticipated that the board of directors of New Boyd will initially be comprised of the current Trustees of the Fund and directors of BGHI and BGI: Allan Davis, Brock Bulbuck, David Brown, Gene Dunn, Robert Gross, Violet A.M. Konkle, Timothy O’Day and Sally Savoia. The senior management of New Boyd will be comprised of the current members of senior management of the Fund Group. See “Business of the Special Meeting – Approval of the Arrangement Resolution – Effect of the Arrangement” for additional information.

The Fund Units held by Fund Unitholders will be transferred to New Boyd in exchange for New Boyd Common Shares on the basis of one New Boyd Common Share for each Fund Unit so exchanged. The BGHI Class A Common shares held by the BGHI Class A Common Shareholders will also be transferred to New Boyd in exchange for New Boyd Common Shares on the basis of one New Boyd Common Share for each BGHI Class A Common share so exchanged. Following the exchanges, New Boyd will own all of the Fund Units and all of the BGHI Class A Common shares. New Boyd will continue to operate the business of BGI and its affiliates as presently conducted. There is no anticipated material change in how the business will be conducted going forward.

### ***Background to and Reasons for the Arrangement***

Pursuant to an arrangement agreement dated as of December 20, 2002, shareholders of the original “The Boyd Group Inc.” received Fund Units and BGHI Class A Common shares in exchange for their interest in original company. The operating assets and liabilities of the former “The Boyd Group Inc.” were transferred to Boyd Fund Limited, an entity wholly owned by the Fund (which entity subsequently changed its name to “The Boyd Group Inc.”). The trust structure allowed the Fund to continue to execute its business strategy while providing Fund Unitholders and the BGHI Class A Common Shareholders with regular monthly cash distributions and dividends, respectively, on a tax-efficient basis.

On October 31, 2006, the Minister announced the federal government’s proposal to apply a tax at the trust level on distributions of certain income from, among other entities, certain publicly traded SIFTs at a rate of tax comparable to the combined federal and provincial corporate tax rate and to treat such distributions as dividends to Unitholders. The Minister announced that existing SIFTs would have a four-year transition period and generally would not be subject to the new rules until 2011, provided such SIFTs experienced only “normal growth” and no “undue expansion” before then. Bill C-52, the *Budget Implementation Act, 2007*, which received Royal Assent on

June 22, 2007, contained the SIFT Rules, which were designed, among other things, to implement the proposal.

Following the October 31, 2006 announcement, the Trustees and Management considered the potential impact and significance of the proposed tax changes to the Fund, and conducted a series of detailed analyses concerning the strategic direction of the Fund. In connection with this process, consideration was given to a broad range of strategic alternatives, including without limitation, new corporate structures and acquisition opportunities.

On December 15, 2010, the Trustees approved an internal capital restructuring plan that better reflected its significant U.S. base of business and its expected source of future growth. A consequence of that restructuring was that distributions to Unitholders were to be funded almost entirely by its U.S. operations. Fund distributions that are sourced from U.S. business earnings are not subject to the SIFT tax. As a result, the Trustees of the Fund determined that as at that time a conversion to a corporate structure was not in the best interests of the Fund and that determination has remained in place until just recently.

During meetings held this year and last, the Trustees again discussed the possibility of a conversion to a corporate structure. The principal consideration for restructuring to a corporate structure is to expand Boyd's investor base and improve liquidity by: (a) simplifying the organization's capital structure and adopting one that is more generally accepted and understood by the capital markets; and (b) removing the restriction on non-resident ownership (under the Declaration of Trust and the Tax Act, ownership of Units by non-residents cannot exceed 49%).

Although there will be some loss of tax efficiency under the new proposed corporate structure as New Boyd will be required to pay income tax at the corporate level, the Trustees believe that such result will not be material. In addition, as a corporation, New Boyd will pay dividends to its shareholders (as opposed to distributions on the Units under the Fund structure), which will result in Canadian resident shareholders who hold their shares as capital property receiving more favorable tax treatment in respect of those dividends. See "Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada".

After due consideration of all available information and advice, and after considering their duties and responsibilities to the Unitholders and the Fund, the Trustees concluded on September 16, 2019 that the proposed transaction was in the best interests of the Fund and fair to Unitholders, approved this Information Circular and resolved to recommend that Unitholders vote in favour of the Arrangement.

#### *Pre-Arrangement Steps*

Prior to implementation of the Plan of Arrangement, the Fund will take all necessary steps to terminate the Fund LTIP and amend the BGI DSU. The Fund LTIP will be replaced by the New Boyd LTIP and the BGI DSU amended as described in this Information Circular and referred to as the Amended BGI DSU. See "Business of the Special Meeting – Pre-Arrangement Steps for further information.

Each of Brock Bulbuck and Timothy O’Day, the Chief Executive Officer and President of the Fund, respectively, have exercised options to acquire 75,000 Fund Units each of which were granted to them in 2010 and recently vested. Messrs. Bulbuck and O’Day will receive the Fund Units pursuant to the exercise of those options in advance of the Effective Date and the Fund Units issued as a result of that exercise will be exchanged for New Boyd Common Shares as part of the Arrangement.

As well, changes in the capital structure of BGI will have to occur in order that the benefits of the Arrangement will be realized. See “Business of the Special Meeting – Pre-Arrangement Steps” for additional information.

### ***Post-Arrangement Structure***

Immediately following the Effective Time of the Arrangement, the holders of Fund Units and BGHI Class A Common shares immediately prior to the Effective Time will be the sole holders of New Boyd Common Shares of New Boyd and New Boyd will own, directly or indirectly, all of the issued and outstanding Fund Units and all of the issued and outstanding shares of BGHI and BGI and so will effectively control the entire Fund Group. New Boyd will control BGI and its subsidiaries which will continue to operate the respective businesses of BGI as presently conducted by them. New Boyd will effectively replace and assume all contractual rights and obligations of the Fund in effect prior to the Effective Time. Those rights and obligations will include all arrangements with financial lenders and it is expected that such arrangements will not be materially impacted in any way by implementation of the Arrangement.

Upon the completion of the Arrangement, it is expected that 20,207,194 New Boyd Common Shares will be issued and outstanding.

See “Business of the Special Meeting – Post-Arrangement Structure and Transactions” and Appendix “E” for additional information and the organizational chart reproduced thereunder.

### ***Post-Arrangement Transactions***

If the Conversion is completed, it is anticipated that if the directors of New Boyd, BGHI and BGI determine it to be advisable and in the best interests of the various stakeholders, on January 1, 2021, BGI and BGHI will be amalgamated. It is anticipated that in 2021, the Fund will transfer to New Boyd all the Fund’s property and New Boyd will assume all of the Fund’s liabilities, whereupon the Fund will wind up.

Following completion of the Arrangement and as at the Effective Time, the Amended BGI DSU and the New Boyd LTIP will become effective. It is expected that there will be no material difference in the terms of the New Boyd LTIP and Amended BGI DSU from those of the Fund LTIP and BGI DSU. The only differences with respect to the “old” and “new” will be the required changes in terminology due to the change in status of the Fund from a trust to New Boyd as a share capital corporation.

### ***Effect on Distributions***

In accordance with past practice, the Fund is expected to declare a distribution (and BGI will declare a dividend on the BGHI Class II shares for the benefit of the BGHI Class A and Class B Common shares) on or about December 17, 2019 payable on January 29, 2020 to the Unitholders and the BGHI Class A and Class B Common Shareholders of record on December 31, 2019. The Fund will retain sufficient assets following the Effective Time in order for it to meet that financial obligation. If the Arrangement is not approved at the Meeting, the Trustees will assess matters at that time to determine the Fund's course of action regarding any future distributions on the Fund Units.

See "Business of the Special Meeting – Effect of the Arrangement — Effect on Distributions" for additional information.

If the Arrangement is approved at the Meeting and the Effective Date occurs on or about January 1, 2020, as currently scheduled, the board of directors of New Boyd will adopt a quarterly dividend policy. The Trustees currently anticipate that dividends declared by the board of directors of New Boyd for the first fiscal quarter following the Arrangement will be equal to or better than the distributions declared and paid by the Fund for the fiscal period immediately preceding the Arrangement, although the board of directors will continue to assess the dividend payout level in light of New Boyd's financial performance and its current and anticipated business needs at that time. See "Appendix "E" — Information Concerning New Boyd — Dividends".

### ***Effect on Business***

If the Arrangement is approved, the Trustees do not anticipate any material affect on the business of the Fund Group resulting directly or indirectly from the Arrangement other than the potential benefits described in the Information Circular. While the Arrangement will result in New Boyd paying tax on income earned that was not payable under the Fund structure, the tax payable is not expected to be material. In addition, as a corporation, New Boyd will pay dividends to its shareholders (as opposed to distributions on the Units under the Fund structure), which will result in the shareholders receiving more favorable tax treatment in respect of those dividends. See "Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada"

### ***Recommendation of the Trustees***

The Trustees have determined that the Arrangement is fair to the Unitholders, and in the best interests of the Fund, and recommends that Unitholders vote in favour of the Arrangement Resolution.

In making their determination and recommendation, the Trustees relied upon legal, financial, tax and other advice and information received during the course of their deliberations. The following is a summary of the factors, among others, that the Trustees considered in making their determination and recommendation:

- the new structure will simplify the Fund Group's organizational structure, thereby enhancing its interaction with capital providers such as banks, bonding companies and other financial institutions, as well as simplify its dealings with regulatory agencies;

- the Conversion will greatly simplify the current structure and governance setup, allowing all Unitholders to maintain their current ownership interests in one share class in the public corporation. In addition, it is expected that administrative and overhead costs should be reduced;
- the reorganized structure of the Fund as a corporation with share capital will remove the restriction on non-Canadian ownership imposed on income trusts, which may attract new investors, including additional U.S. and other non-resident investors, and provide a more liquid and attractive market for the common shares of New Boyd than the market that currently exists for the Units;
- New Boyd will be able to utilize certain provisions of the Tax Act which provide for flexibility in structuring acquisitions on a tax-deferred basis; and
- the Conversion, in and of itself, will not materially affect the amount of funds that will be available to New Boyd to distribute to its shareholders and it is expected that the board of directors of New Boyd, subject to its discretion, will declare and pay quarterly dividends following the Conversion after consideration of the same factors that are currently taken into account by the Board of Trustees, as well as other factors that may be considered to be relevant.

See “Business of the Special Meeting – Recommendation of the Trustees” for additional information.

***Procedure for Exchange of Fund Units and BGHI Class A Common shares***

In order to receive a direct registration (“**DRS**”) advice statement for their New Boyd Common Shares following completion of the Arrangement, registered Fund Unitholders and BGHI Class A Common Shareholders must deposit with the Depository (at the address specified on the last page of the Letter of Transmittal) a duly completed Letter of Transmittal together with the certificates representing the holder’s Fund Units or the BGHI Class A Common shares, as applicable. Pursuant to the terms of the Letter of Transmittal and the DRS, a registered holder may elect to receive a physical certificate representing the New Boyd Common Shares.

Holders whose Fund Units or BGHI Class A Common shares are registered in the name of a broker, dealer, bank, trust company or other nominee should contact their nominee for information about how the exchange of their Fund Units or BGHI Class A Common shares will be effected.

The use of mail to transmit certificates representing Fund Units or BGHI Class A Common shares and the Letter of Transmittal is at each holder’s risk. The Fund recommends that such certificates and documents be delivered by hand to the Depository and a receipt therefor be obtained or that registered mail be used.

From and after the Effective Time, certificates formerly representing the Fund Units and BGHI Class A Common shares exchanged pursuant to the Plan of Arrangement shall represent only the right to receive a DRS advice statement representing the New Boyd Common Shares to which the former holders thereof are entitled pursuant to the Arrangement. Fund Unitholders and BGHI Class A Common Shareholders will not receive a DRS advice statement for New Boyd Common Shares



until they submit the certificates for the Fund Units or BGHI Class A Common shares to the Depository along with a duly completed Letter of Transmittal. All dividends paid with respect to any New Boyd Common Shares allotted and issued after the Effective Time, but for which a DRS advice statement evidencing the electronic registration of ownership of New Boyd Common Shares in the records of New Boyd has not been issued shall be paid or delivered to the Depository to be held by the Depository as segregated funds, in trust for the registered holder of the New Boyd Common Shares. The Depository shall pay and deliver to any such registered holder such dividends to which such holder is entitled (exclusive of any interest thereon), net of applicable withholding and other taxes, upon delivery of the certificate or DRS advice statement representing the New Boyd Common Shares issued to such holder.

Any certificate formerly representing Fund Units or BGHI Class A Common shares that is not deposited on the day before the fifth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature and the right of the holder of such Fund Units or BGHI Class A Common shares to receive New Boyd Common Shares and/or any cash payments, as the case may be, shall be deemed to be surrendered to New Boyd, together with all dividends thereon held for such holder.

See “Business of the Special Meeting – Procedure for Exchange of Fund Units and BGHI Class A Common shares” for additional information.

### *Approvals of the Arrangement*

#### *Approval of Unitholders*

Pursuant to the Interim Order, the number of votes required to pass the Arrangement Resolution shall be more than two-thirds (66  $\frac{2}{3}$ %) of the votes cast by Unitholders, either in person or by proxy, at the Meeting. That approval threshold is the same as required for special resolutions of Unitholders under the Fund Declaration of Trust. See “Business of the Special Meeting – Approvals – Unitholder Approval” for additional information.

If you return a Form of Proxy but do not specify how you want your Units voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting **FOR** the approval of the Arrangement Resolution.

#### *BGHI Shareholder Approval*

Pursuant to the Interim Order, the number of votes required to approve the BGHI Arrangement Resolution shall be at least two-thirds (66  $\frac{2}{3}$ %) of the votes cast by BGHI Shareholders, voting separately as a class, either in person or by proxy, at the BGHI Meeting.

#### *Court Approval*

Implementation of the Arrangement requires the satisfaction of several conditions precedent as described in the Arrangement Agreement and the approval of the Court. See “Business of the Special Meeting – Procedure for the Arrangement Becoming Effective” for additional information. An application for the Final Order approving the Arrangement is expected to be made on December 10, 2019 at 9:00 a.m. (Winnipeg time) at Winnipeg, Manitoba. The notice of application

in respect of the Final Order is attached hereto as Appendix “C”. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms of the Arrangement, including the fairness of the Arrangement to Unitholders. The Court may approve the Arrangement in any manner the Court deems fit, subject to compliance with such terms and conditions, if any, as the Court may direct. Prior to the hearing on the Final Order, the Court will be informed that the Final Order will also constitute the basis for an exemption from registration under the 1933 Act for the New Boyd Common Shares to be issued to Fund Unitholders and BGHI Class A Common shares in the Arrangement pursuant to Section 3(a)(10) of the 1933 Act. If the Final Order is obtained, in form and substance satisfactory to New Boyd, the Fund, BGI, 4612094 and BGHI, acting reasonably, and all other conditions set forth in the Arrangement Agreement are satisfied or waived, the Fund expects the Effective Date to be on or about January 1, 2020.

### ***Stock Exchange Listing***

The TSX has conditionally approved the substitutional listing of the New Boyd Common Shares, subject to New Boyd satisfying the requirements of the TSX. The New Boyd Common Shares will be listed on the TSX under the trading symbol “BYD”. The Units will continue to trade on the TSX under the trading symbol “BYD.UN” until the Effective Time.

Subject to satisfaction of the TSX listing requirements, the New Boyd Common Shares will be listed on the TSX at or about the Effective Time in substitution for the Units.

See “Business of the Special Meeting – Stock Exchange Listing” and “Business of the Special Meeting – Retraction of BGHI Class A Common shares” for additional information.

### ***Retraction of BGHI Class A Common shares***

Although the BGHI Class A Shareholders are entitled to retract their BGHI Class A Common shares in exchange for Units at any time, there are certain procedural requirements to complete a retraction. Pursuant to the Interim Order, those BGHI Class A Shareholders wanting to retract their BGHI Class A Common shares are required to provide a “Retraction Notice” as contemplated under the BGHI Articles of Incorporation at least 21 days in advance of the Effective Date, except for those who exercise Dissent Rights, failing which the BGHI Class A Common shares will be exchanged for New Boyd Common Shares on a one-for-one basis. For more information on the retraction process, please contact the Fund’s transfer agent, Computershare Investor Services Inc. (“Computershare”), 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Attention: **Proxy Department** or via Phone: 1-866-732-8683.

### **Certain Canadian Federal Income Tax Considerations**

A Resident Fund Unitholder who exchanges, pursuant to the Arrangement, Fund Units for New Boyd Common Shares will generally recognize a capital gain (or capital loss) equal to the amount, if any, by which the fair market value of the New Boyd Common Shares received exceeds (or is less than) the aggregate of the adjusted cost base of the Fund Units so exchanged. The exchange of Fund Units for New Boyd Common Shares will not occur on a tax-deferred basis.

A Resident BGHI Shareholder who exchanges, pursuant to the Arrangement, BGHI Class A Common shares for New Boyd Common Shares will generally be considered to have disposed of

such BGHI Class A Common shares on a tax-deferred basis, unless such Resident BGHI Shareholder chooses to recognize a capital gain (or capital loss).

A Non-Resident Fund Unitholder or Non-Resident BGHI Shareholder who exchanges, pursuant to the Arrangement, Fund Units or BGHI Class A Common shares, as the case may be, for New Boyd Common Shares should generally not be subject to any Canadian federal income tax on any capital gain realized in respect of such exchange, provided that the Fund Units or BGHI Class A Common shares, as the case may be, are not “taxable Canadian property” to such Non-Resident Fund Unitholder or Non-Resident BGHI Shareholder for purposes of the Tax Act.

This Information Circular contains a summary of the principal Canadian federal income tax considerations relevant to Resident and Non-resident Fund Unitholders and Resident and Non-Resident BGHI Class A Shareholders and which relate to the Arrangement. The above comments are qualified in their entirety by reference to such summary. See “Certain Canadian Federal Income Tax Considerations” for additional information.

### **Other Tax Considerations**

**This Information Circular does not address any tax considerations of the Arrangement other than Canadian federal income tax considerations nor does it address the particular circumstances of any Unitholder or BGHI Class A Common Shareholder. Unitholders or BGHI Class A Common Shareholders who are resident in jurisdictions other than Canada, including those in the United States, should consult their tax advisors with respect to the tax implications of the Arrangement, including any associated filing requirements in such jurisdictions and with respect to the tax implications in such jurisdictions of owning New Boyd Common Shares after the Arrangement. Unitholders or BGHI Class A Common Shareholders should also consult their own tax advisors regarding Canadian federal, provincial or territorial, and United States federal, state and local tax considerations of the Arrangement or of holding New Boyd Common Shares.**

### **Information Concerning New Boyd**

New Boyd was incorporated on September 19, 2019 pursuant to the provisions of the CBCA, for purposes of effecting the Conversion. The principal and head office of New Boyd will, following the Arrangement, be located at 1745 Ellice Avenue, Unit C1, Winnipeg, Manitoba R3H 1A6.

New Boyd will, as a result of the Arrangement, become (or, where necessary, seek to become) a reporting issuer in all Canadian provinces, other than Quebec, on the Effective Date and, accordingly, become subject to the informational reporting requirements under the securities laws of each jurisdiction in which it so becomes a reporting issuer. See Appendix “E” for additional information.

### **Risk Factors Relating to New Boyd**

For a description of certain risk factors in respect of the business of the Fund Group and the industry in which it operates which will continue to apply to New Boyd after the Effective Date, see “Risk Factors”.

## **BUSINESS OF THE SPECIAL MEETING**

The Meeting will be constituted as a special meeting of Unitholders. As part of the special business set out in the Notice of Meeting, Unitholders will be asked to consider and vote on the Arrangement Resolution.

### **Approval of the Arrangement Resolution**

At the Meeting, Unitholders will be asked to consider and, if thought advisable, approve the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved by more than two-thirds (66  $\frac{2}{3}$ %) of the votes cast by the Unitholders, voting together, in person or by proxy at the Meeting. A copy of the Arrangement Resolution is set out in Appendix “A” of this Information Circular. See “Business of the Special Meeting – Approvals” for additional information.

### **Background to and Reasons for the Arrangement**

#### ***General Background***

Pursuant to an arrangement agreement dated as of December 20, 2002, shareholders of the original “The Boyd Group Inc.” received Fund Units and BGHI Class A Common shares in exchange for their interest in the original company. The operating assets and liabilities of the original “The Boyd Group Inc.” were transferred to Boyd Fund Limited, an entity wholly owned by the Fund (which subsequently changed its name to “The Boyd Group Inc.”). The trust structure allowed the Fund to continue to execute its business strategy while providing Fund Unitholders and the BGHI Class A Common Shareholders with regular monthly cash distributions and dividends, respectively, on a tax efficient basis.

Through BGI and its subsidiaries (including Boyd US), BGI is one of the largest operators of non-franchised collision repair centres in North America in terms of number of locations and sales. BGI and its subsidiaries currently operate locations in five Canadian provinces under the trade names Boyd Autobody & Glass and Assured Automotive, as well as in 27 U.S. states (through Boyd US) under the trade name Gerber Collision & Glass. BGI, through its subsidiaries, is also a major retail auto glass operator in the U.S. with operations across 34 U.S. states under the trade names Gerber Collision & Glass, Glass America, Auto Glass Services, Auto Glass Authority and Autoglassonly.com. A BGI subsidiary also operates Gerber National Claims Services, which offers glass, emergency roadside and first notice of loss services with approximately 5,500 affiliated glass provider locations and approximately 4,600 affiliated emergency roadside services providers throughout the U.S.

On October 31, 2006, the Minister announced the federal government’s proposal to apply a tax at the trust level on distributions of certain income from, among other entities, certain publicly traded mutual fund trusts at a rate of tax comparable to the combined federal and provincial corporate tax rate and to treat such distributions as dividends to unitholders. The Minister announced that existing trusts would have a four year transition period and generally would not be subject to the new rules until 2011, provided such trusts experienced only “normal growth” and no “undue expansion” before then. Bill C-52, the *Budget Implementation Act, 2007*, which received Royal

Assent on June 22, 2007, contained the SIFT Rules, which were designed, among other things, to implement the proposal.

Following the October 31, 2006 announcement, the Trustees and Management considered the potential impact and significance of the proposed tax changes to the Fund, and conducted a series of detailed analyses concerning the strategic direction of the Fund. In connection with this process, consideration was given to a broad range of strategic alternatives, including without limitation, new corporate structures and acquisition opportunities.

On December 15, 2010, the Trustees approved an internal capital restructuring plan that better reflected its significant U.S. base of business and its expected source of future growth. A consequence of that restructuring was that distributions to Unitholders were to be funded almost entirely by its U.S. operations. Fund distributions that are sourced from U.S. business earnings are not subject to the SIFT tax. As a result, the Trustees determined that as at that time a conversion to a corporate structure was not in the best interests of the Fund and that determination has remained in place until just recently.

During the course of meetings held this year and last, the Trustees again discussed the possibility of a conversion to a corporate structure. The principal consideration for restructuring is to expand Boyd's investor base and improve liquidity by: (a) simplifying the organization's capital structure and adopting one that is more generally accepted and understood by the capital markets; and (b) removing the restriction on non-resident ownership (under the Fund Declaration of Trust, ownership of Units by non-residents cannot exceed 49%).

As noted above, one of the reasons for adopting the trust structure in 2002 was the tax efficient nature of that structure. Although there will be some loss of that tax efficiency under the new proposed corporate structure as New Boyd will be required to pay income tax at the corporate level, the Trustees believe that such result will not be material. However, as a corporation, New Boyd will pay dividends to its shareholders (as opposed to distributions on the Units), which will result in the shareholders receiving more favorable tax treatment in respect of those dividends. See "Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada". Accordingly, the Trustees accepted that the loss of tax efficiency at the operating level was not material and offset by the benefit to the shareholders, and given the other benefits of the Conversion discussed elsewhere in this Circular, the Conversion was in the best interests of the Fund.

After due consideration of all available information and advice, and after considering their duties and responsibilities to the Unitholders, the Trustees concluded on September 16, 2019 that the proposed transaction was in the best interests of the Fund and fair to Unitholders, approved this Information Circular and resolved to recommend that Unitholders vote in favour of the Arrangement.

### **Recommendation of the Trustees**

The Trustees have determined that the Arrangement is fair to, and is in the best interests of, the Fund and Unitholders, and recommends that Unitholders vote in favour of the Arrangement Resolution.

In making their determination and recommendation, the Trustees relied upon legal, financial, tax and other advice and information received during the course of their deliberations. The following is a summary of the factors, among others, that the Trustees considered in making their determination and recommendation:

- the new structure will simplify the Fund Group's interaction with capital providers such as banks, bonding companies and other financial institutions, as well as simplify its dealings with regulatory agencies;
- the Conversion will greatly simplify the current structure and governance setup, allowing all Unitholders to maintain their current ownership interests in one share class in the public corporation. In addition, it is expected that administrative and overhead costs should be reduced;
- the reorganized structure of the Fund as a corporation with share capital will remove the restriction on non-Canadian ownership imposed on income trusts, which may attract new investors, including additional U.S. and other non-resident investors, and provide a more liquid and attractive market for the common shares of New Boyd than the market that currently exists for the Units;
- New Boyd will be able to utilize certain provisions of the Tax Act which provide for flexibility in structuring acquisitions on a tax-deferred basis; and
- the Conversion, in and of itself, will not materially affect the amount of funds that will be available to New Boyd to distribute to its shareholders and it is expected that the board of directors of New Boyd, subject to its discretion, will declare and pay quarterly dividends following the Conversion after consideration of the same factors that are currently taken into account by the Board of Trustees, as well as other factors that may be considered to be relevant.

The foregoing discussion of the information and factors considered and given weight by the Trustees is not intended to be exhaustive. In reaching the determination to approve and recommend the Arrangement Resolution, the Trustees did not assign any relative or specific weight to the factors that were considered, and individual Trustees may have given different weight to each factor. There are risks associated with the Arrangement, including that some of the potential benefits set forth in this Information Circular may not be realized or that there may be significant costs associated with realizing such benefits. See "Risk Factors" for additional information.

### **Interest of 4612094 and BGI in the Arrangement**

#### ***4612094***

The Fund's subsidiary, BGI, has declared dividends in 2019 totalling \$43,468 to September 30, 2019 (for entire year in 2018 - \$56,884), through BGHI to 4612094, an entity owned directly or indirectly by a senior officer of the Fund. As at the date of this Information Circular, 4612094 owned 107,329 BGHI Class A Common shares, representing approximately 51% of the total Class A Common shares of BGHI, and 30,000,000 BGHI Voting Shares, representing approximately 30% of the total Voting Shares of BGHI. Each class of shares is

entitled to vote separately as a class in respect of the BGHI Arrangement Resolution. 4612094 will vote its 107,329 BGHI Class A Common shares and its 30,000,000 BGHI Voting Shares in favour of the BGHI Arrangement Resolution at the BGHI Meeting. The Fund will similarly vote its 70,000,000 BGHI Voting Shares in favour of the BGHI Arrangement Resolution.

### ***BGI***

Each class of shares in the capital of BGHI is entitled to vote separately as a class in respect of the BGHI Arrangement Resolution. BGI has agreed to withhold voting its BGHI Class A Common shares in respect of the Arrangement, but will vote its BGHI Class B Common shares in favour of the BGHI Arrangement Resolution at the BGHI Meeting.

### **Effect of the Arrangement**

#### ***General***

If approved, the Arrangement will result in the reorganization of the Fund from an income trust into a public corporation named “Boyd Group Services Inc.” which will continue to control the business of BGI and its subsidiaries as one of the largest operators of non-franchised collision repair centres in North America in terms of number of locations and sales. Pursuant to the Arrangement, the Fund Unitholders and the BGHI Class A Common Shareholders (except BGI and those who have exercised Dissent Rights) will become the holders of New Boyd Common Shares of New Boyd.

It is anticipated that the board of directors of New Boyd will initially be comprised of the current Trustees of the Fund and directors of BGHI and BGI: Allan Davis, Brock Bulbuck, David Brown, Gene Dunn, Robert Gross, Violet A.M. Konkle, Timothy O’Day and Sally Savoia. The senior management of New Boyd will be comprised of the current members of senior management of the Fund. See “Appendix “E” – Information Concerning New Boyd – Directors and Executive Officers” for additional information.

The Fund Units held by Fund Unitholders will be transferred to New Boyd in exchange for New Boyd Common Shares on the basis of one New Boyd Common Share for each Fund Unit so exchanged. The BGHI Class A Common shares held by the BGHI Class A Common Shareholders will also be transferred to New Boyd in exchange for New Boyd Common Shares on the basis of one New Boyd Common Share for each Class A Common share so exchanged.

Subject to satisfaction of the TSX listing requirements, the New Boyd Common Shares will be listed on the TSX at or about the Effective Time in substitution for the Fund Units which will be concurrently de-listed from the TSX.

#### ***Effect on Fund Unitholders and the BGHI Class A Common Shareholders***

Under the Arrangement, the Fund Units held by Fund Unitholders will be exchanged for New Boyd Common Shares on the basis of one New Boyd Common Share for each Fund Unit so transferred. The BGHI Class A Common shares held by the BGHI Class A Common Shareholders (except BGI and those who have exercised Dissent Rights) will also be exchanged for New Boyd

Common Shares on the basis of one New Boyd Common Share for each BGHI Class A Common share so transferred.

See “Business of the Special Meeting - Arrangement Steps” and “Certain Canadian Federal Income Tax Considerations” for additional information.

### ***Effect on Distributions***

In accordance with past practice, the Fund is expected to declare a distribution (and BGI will declare a dividend on the BGHI Class II shares for the benefit of the BGHI Class A and Class B Common shares) on or about December 17, 2019 payable on January 29, 2020 to the Unitholders and the BGHI Class A and Class B Common Shareholders of record on December 31, 2019. The Fund will retain sufficient assets following the Effective Time in order for it to meet that financial obligation.

### ***New Boyd Dividend Policy***

If the Arrangement is approved at the Meeting and the Effective Date occurs on or about January 1, 2020, as currently scheduled, the board of directors of New Boyd will adopt a quarterly dividend policy. The Trustees currently anticipate that the dividend declared by the board of directors of New Boyd for the first fiscal quarter following the Arrangement will be equal to or better than the distributions declared and paid by the Fund for the fiscal quarter immediately preceding the Arrangement. See “Appendix “E” — Information Concerning New Boyd — Dividends” for additional information.

New Boyd’s dividend policy will be subject to the discretion of the board of directors of New Boyd and may vary depending on, among other things, New Boyd’s earnings, financial requirements, the satisfaction of solvency tests imposed by the CBCA for the declaration of dividends and other relevant factors. See “Risk Factors” for additional information.

### ***Effect on Business***

If the Arrangement is approved, the Trustees do not anticipate any material affect on the business of the Fund Group resulting directly or indirectly from the Arrangement other than the potential benefits described in the Information Circular. While the Arrangement will result in New Boyd paying tax on income earned that was not payable under the Fund structure, the tax payable is not expected to be material.

### ***Exchange of BGI’S BGHI Class A Common shares***

BGI owns 25,431 BGHI Class A Common shares which will not be exchanged for New Boyd Common Shares under the Arrangement as it is not the intention that BGI own any interest in New Boyd. As a result and pursuant to the Arrangement, at the Effective Time, the BGHI Class A Common shares held by BGI will be exchanged for BGHI Class C Common shares on a share for share basis. The BGHI Class C Common shares shall have the rights and conditions set out in the Plan of Arrangement appended as Appendix A to the Arrangement Agreement.



## **Pre-Arrangement Steps**

### ***Termination of Fund LTIP and Amendment of BGI DSU***

Prior to implementation of the Plan of Arrangement, the Fund will take all necessary steps to terminate the Fund LTIP and amend the BGI DSU. Those actions are necessary insofar as they each provide, directly or indirectly, for the determination of awards thereunder with reference to the trading price of the Fund Units on the TSX and will need to refer to the New Boyd Common Shares instead.

### ***Exercise of Options***

Each of Brock Bulbuck and Timothy O'Day, the Chief Executive Officer and President of the Fund, respectively, have each exercised options to acquire 75,000 Fund Units at an exercise price of \$5.41 per Fund Unit each of which were granted to them in 2010 and recently vested. Messrs. Bulbuck and O'Day will receive the Fund Units pursuant to the exercise of those options in advance of the Effective Date and the Fund Units issued as a result of that exercise will be exchanged for New Boyd Common Shares as part of the Arrangement.

### ***Exchanges involving BGI Shares***

The Fund currently owns all of the Class I and Class IV shares of BGI and BGHI owns all the Class II shares of BGI. Subject to some differences in dividend entitlement and a priority for Class IV Shares on a distribution of BGI's assets, the Class I, Class IV and Class II BGI shares share ratably in the assets of BGI. One of the goals of the Arrangement is to ensure that all future growth in the assets of BGI attributes to BGHI. Accordingly, the BGI Class I shares will be converted to BGI Class A Preferred Shares and BGI Class IV Shares will be converted to BGI Class B Preferred Shares at their respective fair market values, to be determined at the time of conversion. The BGI Class II shares will be converted at their Fair Market Value to BGI Common Shares. The rights and conditions applicable to the BGI Common Shares, the BGI Class A Preferred Shares and the BGI Class B Preferred Shares are set out in the Plan of Arrangement.

## **Arrangement Steps**

Pursuant to the Arrangement, commencing at the Effective Time, each of the events set out below will occur and will be deemed to occur in the following order, each occurring one minute apart (unless otherwise noted), without any further act or formality except as otherwise provided in the Plan of Arrangement:

### ***Amendment to Fund Declaration of Trust***

- (a) the Fund Declaration of Trust will be amended if and to the extent necessary to facilitate the Arrangement as provided therein;

*Amendment of BGHI Articles*

- (b) BGHI's Articles of Incorporation will be amended to amend the conditions, rights and attributes of the BGHI Class B Common shares as set out in Appendix A to the Arrangement Agreement and to create an unlimited number of BGHI Class C Common shares;

*Exchange of BGI's BGHI Class A Common shares for BGHI Class C Common shares*

- (c) BGI will exchange each of its BGHI Class A Common shares for BGHI Class C Common shares on the basis of one BGHI Class A Common share for one BGHI Class C Common share, each BGHI Class C Common share having a value equal to the Fair Market Value of each BGHI Class A Common share so exchanged. Each BGHI Class A Common share so exchanged will be cancelled;

*Exchange of Fund Units and BGHI Class A Common shares for New Boyd Common Shares*

- (d) each Fund Unitholder will exchange each of its Fund Units for a New Boyd Common Share on the basis of one Fund Unit for one New Boyd Common Share;
- (e) each BGHI Class A Common Shareholder of record on the date which is 21 calendar days prior to the Effective Date (other than BGI) who has not exercised Dissent Rights prior to such record date shall exchange each of its BGHI Class A Common shares for a New Boyd Common Share on the basis of one BGHI Class A Common share for one New Boyd Common Share, and any retraction of BGHI Class A Common shares after such record date shall be disregarded;

*Transfer of 4612094 BGHI Voting Shares*

- (f) 4612094 will transfer and sell all of its 30,000,000 BGHI Voting Shares to New Boyd for their fair market value which is equal to the stated capital of each BGHI Voting Share being \$0.00001 per share and an aggregate amount of \$300.00;

*Cancellation of Initial New Boyd Common Shares of New Boyd*

- (g) the 10 New Boyd Common Shares issued to the Fund in connection with the organization of New Boyd shall be purchased for cancellation by New Boyd for a consideration of \$1.00 per share, an aggregate of \$10.00;

*Amendment of BGI Articles*

- (h) BGI's Articles of Incorporation will be amended to create an unlimited number of BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares;

*Exchange of BGI Class I Shares*

- (i) the Fund will exchange each of its BGI Class I shares for BGI Class A Preferred Shares on the basis of one BGI Class I share for one BGI Class A Preferred Share with a redemption value being equal to the Fair Market Value of a BGI Class I share so exchanged. Each BGI Class I share so exchanged shall be cancelled;

*Exchange of BGI Class IV Shares*

- (j) the Fund will exchange each of its BGI Class IV shares for BGI Class B Preferred Shares on the basis of one BGI Class IV share for one BGI Class B Preferred Share with a redemption value being equal to the Fair Market Value of a BGI Class IV share so exchanged. Each BGI Class IV share so exchanged shall be cancelled;

*Exchange of BGI Class II Shares for BGI Common Shares*

- (k) BGHI will exchange each of its BGI Class II shares for BGI Common Shares on the basis of one BGI Class II share for one BGI Common Share, each BGI Common Share having a value equal to the Fair Market Value of a BGI Class II share so exchanged;

*Listing of New Boyd Common Shares*

- (l) the New Boyd Common Shares will be listed for trading on the TSX in substitution for the Fund Units;

*Stated Capital*

- (m) there shall be added to the stated capital account maintained for the New Boyd Common Shares an amount determined by the New Boyd board of directors in accordance with section 26 of the CBCA in respect of the New Boyd Common Shares issued pursuant to the Arrangement and such directors shall be authorized to subsequently reduce the stated capital of New Boyd in an amount determined by such directors without any payment;
- (n) there shall be added to the stated capital account maintained for the BGHI Class C Common shares an amount determined by the BGHI board of directors in accordance with section 26 of the CBCA in respect of the BGHI Class C Common shares issued pursuant to the Arrangement and such directors shall be authorized to

subsequently reduce the stated capital of BGHI in an amount determined by such directors without any payment; and

- (o) there shall be added to the stated capital accounts maintained for each of the BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares an amount determined by the BGI board of directors in accordance with section 26 of the CBCA in respect of each of the BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares issued pursuant to the Arrangement and such directors shall be authorized to subsequently reduce the stated capital of BGHI in an amount determined by such directors without any payment;

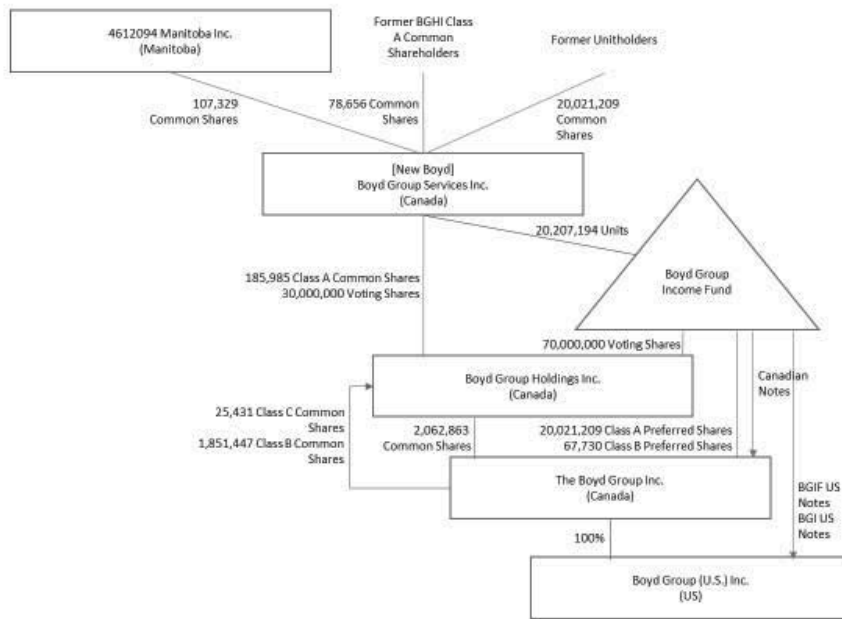
## **Post-Arrangement Structure and Transactions**

### *Structure*

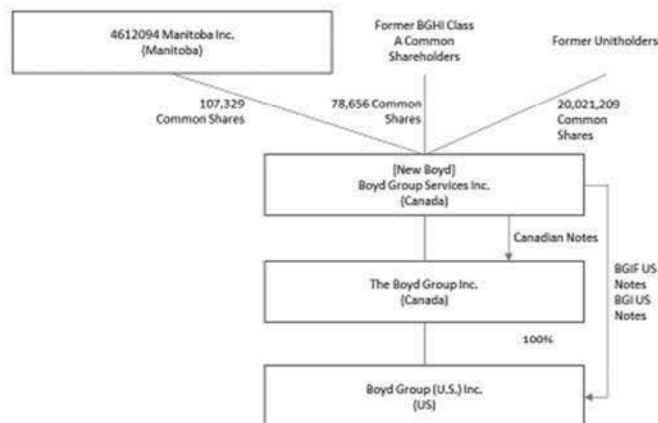
Immediately following the Effective Time of the Arrangement, the former Fund Unitholders and the BGHI Class A Common Shareholders will be the sole holders of New Boyd Common Shares and New Boyd will own, directly or indirectly, all of the issued and outstanding Fund Units and directly or indirectly, own and control BGHI, BGI and its subsidiaries. Upon the completion of the Arrangement, it is expected that an aggregate of 20,207,194 New Boyd Common Shares will be issued and outstanding.

If the Conversion is completed, it is anticipated that if it is then in the best interests of New Boyd, BGHI and BGI will amalgamate on January 1, 2021, and the Fund will distribute all its property and assets to New Boyd in 2021 and the Fund wound up. See Appendix “E” for additional information.

The following diagram illustrates the organizational structure of New Boyd immediately following the completion of the Arrangement.



The following diagram illustrates the organizational structure of Boyd following the anticipated amalgamation of BGHI and BGI and wind-up of the Fund during the 2021 fiscal year.



### *Transactions*

Following completion of the Arrangement and as at the Effective Time, the Amended BGI DSU and the New Boyd LTIP will become effective. It is expected that there will be no material difference in the terms of the New Boyd LTIP and Amended BGI DSU from those of the Fund LTIP and BGI DSU. The only differences with respect to the “old” and “new” will be the required changes in terminology due to the change in status of the Fund from a trust to New Boyd as a share capital corporation.

### **Arrangement Agreement**

The Arrangement is being effected pursuant to the Arrangement Agreement. The Arrangement Agreement contains covenants, representations and warranties of and from each of New Boyd, the Fund, 4612094, BGHI and BGI, both mutual and with respect to each entity and the Fund, and various conditions precedent. **The Arrangement Agreement is attached as Appendix “D” to this Information Circular and reference is made thereto for the full text thereof.**

### **Procedure for the Arrangement Becoming Effective**

The Arrangement is proposed to be carried out pursuant to Section 192 of the CBCA. The following procedural steps must be taken for the Arrangement to become effective, as more particularly described below:

- (a) the Arrangement must be approved by special resolution of the Unitholders;

- (b) the Arrangement must be approved by special resolution of the BGHI Shareholders, each voting separately as a class, at the BGHI Meeting;
- (c) the Arrangement must be approved by the Court pursuant to the Final Order;
- (d) all conditions precedent to the Arrangement, including those set forth in the Arrangement Agreement, must be satisfied or waived by the appropriate parties; and
- (e) the Final Order, the Articles of Arrangement and related documents, in the form prescribed by the CBCA, must be filed with the Director.

## **Approvals**

### ***Unitholder Approval***

Pursuant to the Interim Order, the number of votes required to approve the Arrangement Resolution shall be more than two-thirds (66 ⅔%) of the votes cast by Unitholders, voting either in person or by proxy, at the Meeting. See “General Proxy Matters” for additional information.

Notwithstanding the foregoing, the Arrangement Resolution authorizes the Trustees or the board of directors of New Boyd, without further notice to or approval of Unitholders, subject to the terms of the Arrangement, to amend or terminate the Arrangement Agreement or Plan of Arrangement, or to revoke the Arrangement Resolution at any time prior to the Arrangement becoming effective pursuant to the provisions of the CBCA. The full text of the Arrangement Resolution is attached as Appendix “A” to this Information Circular.

If you return a Form of Proxy but do not specify how you want your Units voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting FOR the Arrangement Resolution.

The Fund Declaration of Trust does not provide for a right of dissent for Unitholders in connection with the Arrangement or the approval of the Arrangement Resolution.

### ***BGHI Shareholder Approval***

Pursuant to the Interim Order, the number of votes required to approve the BGHI Arrangement Resolution shall be at least two-thirds (66 ⅔%) of the votes cast by BGHI Shareholders, voting separately as a class, either in person or by proxy, at the BGHI Meeting.

### ***Court Approval***

#### ***Interim Order***

On October 1, 2019, the Court granted the Interim Order facilitating the calling of the Meeting and prescribing the conduct of the Meeting and other matters. The Interim Order is attached as Appendix “B” to this Information Circular.

### *Final Order*

The CBCA provides that an arrangement requires Court approval. Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is approved by Unitholders at the Meeting in the manner required by the Interim Order, New Boyd, the Fund, BGHI and BGI will make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is scheduled for December 10, 2019 at 9:00 a.m. (Winnipeg time), in Winnipeg, Manitoba, or as soon thereafter as counsel may be heard in Winnipeg, Manitoba. The notice of application in respect of the Final Order is attached hereto as Appendix "C". At the hearing, any Unitholder and any other interested party who wishes to participate or to be represented or to present evidence or argument may do so, subject to filing with the Court and serving upon New Boyd, the Fund, BGHI and BGI a notice of intention to appear together with any evidence or materials which such party intends to present to the Court on or before 2:00 p.m. (Winnipeg time) on December 5, 2019. Service of such notice shall be effected by service upon the Fund's legal counsel, Thompson Dorfman Sweatman LLP, 1700-242 Hargrave Street, Winnipeg, Manitoba R3C 0V1, Attention: Ross A. McFadyen

Prior to the hearing on the Final Order, the Court will be informed that the Final Order will constitute the basis for an exemption from registration under the 1933 Act for the New Boyd Common Shares to be issued to holders of Fund Units in the Arrangement pursuant to Section 3(a)(10) of the 1933 Act.

The Fund has been advised by its counsel, Thompson Dorfman Sweatman LLP, that the Court has broad discretion under the CBCA when making orders with respect to the Arrangement and that the Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, in any manner the Court deems fit, subject to compliance with such terms and conditions, if any, as the Court may direct. Depending upon the nature of any required amendments, New Boyd, the Fund, BGHI and BGI may determine not to proceed with the Arrangement.

### ***Regulatory Approvals***

Completion of the Arrangement is subject to the parties obtaining various regulatory consents, exemptions and approvals. The business of the Fund Group is, and following the Effective Date the business of the New Boyd, on a consolidated basis, will be, subject to regulation by the securities regulatory authorities in each of the provinces and territories of Canada, and pursuant to the general by-laws, rules and policies of the TSX.

### **Conditions Precedent to the Arrangement**

The respective obligations of New Boyd, the Fund, BGHI, 4612094 and BGI to consummate the transactions contemplated by the Arrangement Agreement, and in particular the Arrangement, are subject to the satisfaction, on or before the Effective Date, of a number of conditions, any of which may be waived by the mutual consent of such parties without prejudice to their right to rely on any other of such conditions. These conditions include, without limitation:



- the Interim Order shall have been granted in form and substance satisfactory to New Boyd, the Fund, BGHI and BGI, acting reasonably, not later than October 1, 2019 or such later date as the parties to the Arrangement Agreement may agree and shall not have been set aside or modified in a manner unacceptable to such parties on appeal or otherwise;
- the Arrangement Resolution shall have been approved by the requisite number of votes cast by the Unitholders at the Meeting in accordance with the provisions of the Interim Order and any applicable regulatory requirements;
- the BGHI Arrangement Resolution shall have been approved by the requisite number of votes cast by BGHI Shareholders at the BGHI Meeting in accordance with the provisions of the Interim Order and any applicable regulatory requirements;
- the Arrangement shall have been approved by the holders of at least 66⅔% of the votes cast at a meeting(s) of the shareholders of BGI entitled to vote at such meeting or by a resolution in writing signed by all the shareholders of BGI;
- the Final Order shall have been granted in form and substance satisfactory to New Boyd, the Fund, BGHI and BGI, acting reasonably, not later than December 10, 2019 or such later date as the parties to the Arrangement Agreement may agree;
- the Articles of Arrangement and all necessary related documents filed with the Director in accordance with the Arrangement shall be in form and substance satisfactory to New Boyd, the Fund, BGHI, 4612094 and BGI, acting reasonably, and shall have been accepted for filing by the Director together with the Final Order in accordance with Subsection 192(4) of the CBCA;
- no material action or proceeding shall be pending or threatened by any person, company, firm, governmental authority, regulatory body or agency and there shall be no action taken under any existing applicable law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any court, department, commission, board, regulatory body, government or governmental authority or similar agency, domestic or foreign, that:
  - (a) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Arrangement or any other transactions contemplated in the Arrangement Agreement or the Plan of Arrangement; or
  - (b) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated in the Arrangement Agreement or the Plan of Arrangement;
- all material regulatory consents, exemptions and approvals considered necessary or desirable by the parties with respect to the transactions contemplated under the Arrangement shall have been completed or obtained including, without limitation, consents, exemptions, decisions and approvals from applicable securities regulatory authorities and under the rules or policies of the TSX;

- all necessary third-party consents and approvals with respect to the transactions contemplated in the Arrangement Agreement considered necessary or desirable by BGHI, BGI and the Fund and all conditions precedent to the completion of the Arrangement as described in the Arrangement Agreement will have been completed, obtained, satisfied or waived; and
- the TSX shall have conditionally approved the substitutional listing of the New Boyd Common Shares to be issued pursuant to the Arrangement, subject only to the filing of required documents which cannot be filed prior to the Effective Date, if any; and
- awards under the Fund LTIP which are not vested shall have been terminated effective prior to the Effective Time and the New Boyd LTIP approved by the New Boyd board of directors at or prior to the Effective Time.

Upon the conditions being satisfied or waived, New Boyd intends to file a copy of the Final Order and the Articles of Arrangement with the Director under the CBCA, together with such other materials as may be required by the Director, in order to give effect to the Arrangement.

### **Timing of Completion of the Arrangement**

If the Meeting is held as scheduled and is not adjourned or postponed and the Arrangement Resolution is approved, New Boyd, the Fund, BGHI and BGI currently intend to apply for the Final Order approving the Arrangement on December 10, 2019 at 9:00 a.m. (Winnipeg time). If the Final Order is obtained in form and substance satisfactory to New Boyd, the Fund, BGI and BGHI, acting reasonably, and all other conditions set forth in the Arrangement Agreement are satisfied or waived, the Fund expects the Effective Date to be on or about January 1, 2020.

The Arrangement will become effective, following the filing with the Director of the Articles of Arrangement and a copy of the Final Order, together with such other materials as may be required by the Director, and issuance by the Director of the corresponding certificate, on the Effective Date as provided in the Plan of Arrangement.

The Fund's objective is to have the Effective Date occur on (but no earlier than) January 1, 2020. The Effective Date could be delayed, however, for a number of reasons, including a failure to obtain the Final Order prior to that date.

### **Procedure for Exchange of Fund Units and BGHI Class A Common shares**

Registered Fund Unitholders and BGHI Class A Common Shareholders will receive, with this Information Circular, the Letter of Transmittal.

In order to receive a DRS advice statement for their New Boyd Common Shares following the Arrangement, registered Fund Unitholders and BGHI Class A Common Shareholders must deposit with the Depositary at one of the addresses specified on the last page of the Letter of Transmittal) a duly completed Letter of Transmittal together with the certificates representing the holder's Fund Units or BGHI Class A Common shares, as applicable, in accordance with the instructions contained in the Letter of Transmittal. Registered Fund Unitholders and BGHI Class A Common Shareholders may request additional copies of the Letter of Transmittal by contacting the

Depository. The form of Letter of Transmittal is also available at the website maintained by CDS at [www.sedar.com](http://www.sedar.com).

Holders whose Fund Units or BGHI Class A Common shares, as applicable, are registered in the name of a broker, dealer, bank, trust company or other nominee should contact their nominee for information about how the exchange of their Fund Units or BGHI Class A Common shares, as applicable, will be effected.

The use of mail to transmit certificates representing Fund Units, BGHI Class A Common shares and the Letter of Transmittal is at each holder's risk. The Fund recommends that such certificates and documents be delivered by hand to the Depository and a receipt therefor be obtained or that registered mail be used.

If the Letter of Transmittal is executed by a person other than the registered holder(s) of the Fund Units or BGHI Class A Common shares, as applicable, being deposited or if the certificates representing the New Boyd Common Shares issuable in exchange for Fund Units or BGHI Class A Common shares are to be issued to a person other than such registered owner(s) or sent to an address other than the address of the registered holder(s) as shown on the register of Fund Unitholders or BGHI Class A Common Shareholders, as applicable, maintained by the Fund's registrar and transfer agent, the signature on the Letter of Transmittal must be medallion guaranteed by an Eligible Institution. If the Letter of Transmittal is executed by a person other than the registered owner(s) of the Fund Units or BGHI Class A Common shares, as applicable, deposited therewith, and in certain other circumstances as set forth in the Letter of Transmittal, then the certificate(s) representing Fund Units or BGHI Class A Common shares, as applicable, must be endorsed or be accompanied by an appropriate transfer power of attorney duly and properly completed by the registered owner(s). The signature(s) on the endorsement panel or transfer power of attorney must correspond exactly to the name(s) of the registered owner(s) as registered or as appearing on the certificate(s) and must be medallion guaranteed by an Eligible Institution.

From and after the Effective Time, certificates formerly representing Fund Units or BGHI Class A Common shares exchanged pursuant to the Plan of Arrangement shall represent only the right to receive a DRS advice statement representing New Boyd Common Shares to which the former holders thereof are entitled pursuant to the Arrangement. Fund Unitholders and BGHI Class A Common Shareholders will not receive a DRS advice statement for New Boyd Common Shares until they submit the certificates for the Fund Units or BGHI Class A Common shares to the Depository along with a duly completed Letter of Transmittal. If any certificate which immediately prior to the Effective Time represented an interest in Fund Units or BGHI Class A Common shares has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to have been lost, stolen or destroyed, the former registered holder thereof in the register of the Fund Units or BGHI Class A Common shares shall, as a condition precedent to the receipt of any New Boyd Common Shares to be issued to such Person, provide to New Boyd, the Fund or BGHI, as applicable, a bond in form and substance satisfactory to New Boyd, or otherwise indemnify New Boyd, the Fund or BGHI, as applicable, to their satisfaction, in their sole and absolute discretion, against any claim that may be made against them, or any of them, with respect to the certificate alleged to have been lost, stolen or destroyed. No fractional New

Boyd Common Shares, and no DRS advice statement representing fractional New Boyd Common Shares, shall be issued pursuant to the Plan of Arrangement.

At or before the Effective Time, New Boyd will deliver to the Depository sufficient New Boyd Common Shares to enable the Depository to make the exchange described below.

As soon as practicable after the Effective Time but in any event within three Business Days, upon surrender to the Depository for cancellation of certificate(s) that immediately prior to the Effective Time represented one or more Fund Units or BGHI Class A Common shares, together with the Letter of Transmittal and other documents required by the Letter of Transmittal, the holder of such surrendered certificate(s) shall be entitled to receive in exchange therefor, and the Depository shall deliver to such holder, a DRS advice statement issued by New Boyd representing that number of New Boyd Common Shares that such holder has the right to receive, and the Fund Unit or BGHI Class A Common share certificate(s) so surrendered shall forthwith be cancelled. From and after the Effective Time, all certificates that represented Fund Units or BGHI Class A Common shares immediately prior to the Effective Time will cease to represent any rights with respect to such Fund Units or BGHI Class A Common shares and will only represent the right to receive New Boyd Common Shares and/or cash payments, as the case may be, pursuant to the Plan of Arrangement.

In the event of a transfer of ownership prior to the Effective Time of Fund Units or BGHI Class A Common shares, as applicable, that is not registered in the transfer records of the Fund, a certificate representing the proper number of New Boyd Common Shares may be delivered to the transferee if the certificate representing such Fund Units or BGHI Class A Common shares, as applicable, is presented to the Depository, accompanied by all documents required to evidence and effect such transfer prior to the Effective Time as specified in more detail in the Letter of Transmittal.

Unless otherwise directed in the Letter of Transmittal, the DRS advice statement for the New Boyd Common Shares to be issued pursuant to the Arrangement will be issued in the name of the registered holder of the Fund Units or BGHI Class A Common shares, as applicable, so deposited. Unless the person who deposits the certificate(s) representing the Fund Units or BGHI Class A Common shares, as applicable, instructs the Depository to hold the DRS advice statement for pick up by checking the appropriate box in the Letter of Transmittal, a DRS advice statement will be forwarded by first class mail to the address supplied in the Letter of Transmittal. If no address is provided, a DRS advice statement will be forwarded to the address of the holder as shown on the register of Fund Unitholders and BGHI Class A Common Shareholders maintained by the Fund's registrar and transfer agent.

Fund Unitholders and BGHI Class A Common Shareholders will not receive a DRS advice statement representing New Boyd Common Shares until they submit the certificates for their Fund Units or BGHI Class A Common shares, as applicable, to the Depository along with a duly completed Letter of Transmittal.

All dividends paid with respect to any New Boyd Common Shares allotted and issued after the Effective Time, but for which a certificate or document evidencing the electronic registration of ownership of New Boyd Common Shares in the records of New Boyd has not been issued shall be paid or delivered to the Depository to be held by the Depository as segregated funds, in trust, for

the registered holder of the New Boyd Common Shares. The Depositary shall pay and deliver to any such registered holder such dividends to which such holder is entitled (exclusive of any interest thereon) and net of applicable withholding and other taxes, upon delivery of the certificate or Direct Registration Advice representing the New Boyd Common Shares issued to such holder.

Any certificate formerly representing Fund Units or BGHI Class A Common shares that is not deposited on the day before the fifth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature and the right of the holder of such Fund Units or BGHI Class A Common shares to receive New Boyd Common Shares and/or any cash payments, as the case may be, shall be deemed to be surrendered to New Boyd, together with all dividends thereon held for such holder.

Should the Arrangement not be completed, any deposited Fund Unit or BGHI Class A Common share certificates will be returned to the depositing holder at the expense of the Fund upon written notice to the Depositary from the Fund by returning the deposited Fund Unit or BGHI Class A Common share (and any other relevant documents), as the case may be, by first class mail in the name of and to the address specified by the holder in the Letter of Transmittal or, if such name and address is not so specified, in such name and to such address as shown on the register of Fund Unitholders and BGHI Class A Common Shareholders maintained by the Fund's registrar and transfer agent.

The Depositary will receive reasonable and customary compensation for its services in connection with the Arrangement, will be reimbursed for certain out-of-pocket expenses and will be indemnified by the Fund against certain liabilities under applicable securities laws and expenses in connection therewith.

### **Expenses of the Arrangement**

The estimated costs to be incurred by the Fund Group with respect to the Arrangement and related matters including, without limitation, accounting and legal fees, and the preparation, printing and mailing of this Information Circular and other related documents and agreements, are expected to aggregate to approximately \$1,000,000.

### **Stock Exchange Listing**

It is a condition to completion of the Arrangement that the TSX shall have conditionally approved the substitutional listing of the New Boyd Common Shares. The TSX has conditionally approved the substitutional listing of the New Boyd Common Shares, subject to New Boyd satisfying the requirements of the TSX. The New Boyd Common Shares will be listed on the TSX under the trading symbol "BYD". The conditions to the substitutional listing are ones that are commonly imposed by the TSX including, without limitation, receipt by them of the various constating documents of New Boyd, a specimen certificate representing the New Boyd Common Shares, a new listing agreement signed by New Boyd as well as an opinion of counsel to New Boyd that the Arrangement has been completed in accordance with applicable law and that the New Boyd Common Shares will be issued as fully-paid and non-assessable common shares of New Boyd. New Boyd does not anticipate any issues with complying with all of the conditions.

## **Retraction of BGHI Class A Common shares**

Although the BGHI Class A Shareholders are entitled to retract their BGHI Class A Common shares in exchange for Units at any time, there are certain procedural requirements to complete a retraction. Pursuant to the Interim Order, those BGHI Class A Shareholders wanting to retract their BGHI Class A Common shares are required to provide a “Retraction Notice” as contemplated under the BGHI Articles of Incorporation at least 21 days in advance of the Effective Date failing which the BGHI Class A Common shares (other than those of BGI and of those who have exercised Dissent Rights) will be exchanged for New Boyd Common Shares on a one-for-one basis. For more information on the retraction process, please contact the Fund’s transfer agent, Computershare Investor Services Inc. (“Computershare”), 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department or via Phone: 1-866-732-8683.

## **Securities Law Matters**

### *Canada*

All securities to be issued under the Arrangement, including, without limitation, the New Boyd Common Shares, will be issued in reliance on exemptions from prospectus and registration requirements of applicable Canadian securities laws and, following completion of the Arrangement, the New Boyd Common Shares will generally be “freely tradeable” (other than as a result of any “control block” restrictions which may arise by virtue of the ownership thereof) under applicable Canadian securities laws.

### *United States*

#### *Status under U.S. securities laws*

The Fund is a “foreign private issuer” as defined in Rule 3b-4 under the 1934 Act. It is the Fund’s intention that the New Boyd Common Shares will be listed for trading on the TSX following completion of the Arrangement. The Fund does not currently intend to seek a listing for the New Boyd Common Shares on a stock exchange in the United States.

#### *Issuance and resale of New Boyd Common Shares under U.S. securities laws*

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to Unitholders resident in the United States (“**U.S. Securityholders**”). All U.S. Securityholders are urged to consult with their own legal counsel to ensure that any subsequent resale of New Boyd Common Shares issued to them under the Arrangement complies with applicable securities legislation.

The following discussion does not address the Canadian securities laws that will apply to the issue of the New Boyd Common Shares or the resale of New Boyd Common Shares by U.S. Securityholders within Canada. U.S. Securityholders reselling their New Boyd Common Shares in Canada must comply with Canadian securities laws, as outlined above under “Securities Law Matters — Canada”.

*Exemption from the registration requirements of the 1933 Act*

The New Boyd Common Shares to be issued pursuant to the Arrangement will not be registered under the 1933 Act or the securities laws of any state of the United States and will be issued in reliance upon the exemption from registration set forth in Section 3(a)(10) of the 1933 Act and exemptions provided under the securities laws of each state of the United States (other than Ohio, where the issuance of the New Boyd Common Shares will be registered as required under that state's law) in which U.S. Securityholders reside. Section 3(a)(10) of the 1933 Act exempts from registration the distribution of a security that is issued in exchange for outstanding securities where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by law to grant such approval. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the 1933 Act with respect to the New Boyd Common Shares issued in connection with the Arrangement.

*Resales of New Boyd Common Shares within the United States after the completion of the Arrangement*

Persons who are not affiliates of New Boyd after the Arrangement may resell the New Boyd Common Shares that they receive in connection with the Arrangement on the TSX without restriction under the 1933 Act. New Boyd Common Shares received by a holder who will be an "affiliate" of New Boyd after the Arrangement (or was an "affiliate" within 90 days prior to the Arrangement) will be subject to certain restrictions on resale imposed by the 1933 Act. As defined in Rule 144 under the 1933 Act, an "affiliate" of an issuer is a person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the issuer and may include certain officers and directors of such issuer as well as principal shareholders of such issuer.

Persons who are affiliates of New Boyd after the Arrangement may not sell their New Boyd Common Shares that they receive in connection with the Arrangement in the absence of registration under the 1933 Act, unless an exemption from registration is available, such as the exemptions contained in Rule 903 and Rule 904 of Regulation S under the 1933 Act.

Affiliates — Regulation S. In general, under Regulation S, persons who are affiliates of New Boyd solely by virtue of their status as an officer or director of New Boyd may sell their New Boyd Common Shares outside the United States in an "offshore transaction" (which would include a sale through the TSX, if applicable) if neither the seller, an affiliate nor any person acting on its behalf engages in "directed selling efforts" in the United States. In the case of a sale of New Boyd Common Shares by an officer or director who is an affiliate of New Boyd solely by virtue of holding such position, there is an additional requirement that no selling commission, fee or other remuneration is paid in connection with such sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. For purposes of Regulation S, "directed selling efforts" means "any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered". Certain additional restrictions, set forth in Rule 903 of Regulation S, are applicable to a holder of New Boyd Common Shares who is an affiliate

of New Boyd after the Arrangement other than by virtue of his or her status as an officer or director of New Boyd.

## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations under the Tax Act as of the date of this Information Circular generally applicable to a beneficial owner of a Unit or the beneficial owner of a BGHI Class A Common share, as the case may be, who disposes, or is deemed to have disposed, of Units or BGHI Class A Common shares, as applicable, pursuant to the Arrangement and who, for the purposes of the Tax Act and at all relevant times, (i) deals at arm's length with and is not affiliated with, for purposes of the Tax Act, the Fund, BGHI and New Boyd; (ii) holds all Units and BGHI Class A Common shares, as applicable, and will hold all shares of New Boyd acquired under the Arrangement (the "**Securities**") as capital property; and (iii) will not alone, or together with person not dealing at arm's length with the beneficial owner for the purposes of the Tax Act, beneficially own shares of the capital stock of New Boyd having a fair market value of more than 50% of the fair market value of all of the outstanding shares of the capital stock of New Boyd immediately after the exchange of BGHI Class A Common shares for New Boyd Common Shares pursuant to the Arrangement (each, a "**Holder**").

The Securities will generally be capital property to a person for the purposes of the Tax Act provided that the person does not use or hold those Securities in the course of carrying on a business and has not acquired such Securities in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a "financial institution" for purposes of the "mark-to-market property" rules; (ii) that is a "specified financial institution"; (iii) that is a partnership; (iv) an interest in which would be a "tax shelter investment"; (v) that has elected to determine its Canadian tax results in a foreign currency pursuant to the functional currency reporting rules; (vi) that has entered or will enter into, in respect of the Units, BGHI Class A Common shares or New Boyd Common Shares, as the case may be, a "synthetic disposition arrangement" or a "derivative forward agreement"; (vii) that is a "foreign affiliate" of a taxpayer resident in Canada; or (viii) that is a corporation resident in Canada that is, or becomes, controlled by a non-resident corporation for the purposes of the "foreign affiliate dumping" rules, all within the meaning of the Tax Act. **Any such Holders should consult their own tax advisors to determine the particular Canadian federal income tax consequences to them of the Arrangement.**

It is assumed for the purposes of the tax considerations that follow, that, at all relevant times prior to the exchange of Units for New Boyd Common Shares pursuant to the Arrangement, the Fund meets all the factual conditions to be a "mutual fund trust" for the purposes of the Tax Act. It is assumed for purposes of the tax considerations that follow that, at all relevant times prior to the exchange of BGHI Class A Common shares for New Boyd Common Shares pursuant to the Arrangement, New Boyd will be a "public corporation" within the meaning of the Tax Act. This summary also assumes that the New Boyd Common Shares will be listed on a "designated stock exchange" within the meaning of the Tax Act (which currently includes the TSX) when issued and at all relevant times thereafter. If the Fund were not to qualify as a "mutual fund trust" or New



Boyd were not to qualify as a “public corporation” the income tax considerations described herein would, in some respects, be materially different.

This summary is based on the facts set out in this Information Circular, the assumptions set out herein, the current provisions of the Tax Act and the regulations thereto in force as at the date of this Information Circular, and an understanding of the current administrative and assessing practices and policies of the Canada Revenue Agency (“CRA”) published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”) and assumes that all Proposed Amendments will be enacted in the form proposed; however, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise consider or anticipate any changes in law or administrative or assessing practice whether by legislative, regulatory, administrative or judicial action nor does it consider tax legislation or other considerations of any province, territory or foreign jurisdiction, which may be different from those discussed herein.

**This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations applicable to the Arrangement. The income and other tax consequences of acquiring, holding or disposing of Securities will vary depending on a Holder’s particular facts and circumstances, including the country, province or territory in which the Holder resides or carries on business. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. No representations are made with respect to the income tax consequences to any particular Holder. Holders should consult their own tax advisors for advice with respect to the income tax consequences of the Arrangement in their particular circumstances, including the application and effect of the income and other tax laws of any applicable country, province, state or local tax authority.**

This summary does not discuss any non-Canadian income or other tax consequences of the Arrangement. Holders resident or subject to taxation in a jurisdiction other than Canada should be aware that the Arrangement may have tax consequences both in Canada and in such other jurisdiction. Such consequences are not described herein. Holders should consult with their own tax advisors with respect to their particular facts and circumstances and the tax considerations applicable to them.

### **Holders Resident in Canada**

The following portion of the summary is generally applicable to a Holder who, at all relevant times and for purposes of the Tax Act, is or is deemed to be a resident of Canada and is not exempt from tax under Part I of the Tax Act (a “**Resident Holder**”).

Certain Resident Holders whose Units or BGHI Class A Common shares might not otherwise qualify as capital property may, in certain circumstances, be eligible to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have their Units, BGHI Class A Common shares and every other “Canadian security” (as defined in the Tax Act) owned by such Holder in the taxation year in which the election is made and in all subsequent taxation years, be deemed to be capital property. Such Holders should consult their own tax advisors as to whether

they hold or will hold their Units or BGHI Class A Common shares as capital property and whether such election can or should be made in respect of their Units or BGHI Class A Common shares.

### ***Exchange of Units for New Boyd Common Shares under the Arrangement***

A Resident Holder will recognize a capital gain (or capital loss) in respect of the exchange of Units for New Boyd Common Shares pursuant to the Arrangement equal to the amount, if any, by which the fair market value of the New Boyd Common Shares received exceeds (or is less than) the aggregate of the adjusted cost base of the Units to the Resident Holder, determined immediately before the effective time of the unit-for-share exchange, and any reasonable costs of disposition. For a description of the tax treatment of capital gains and capital losses, see “Holders Resident in Canada – Taxation of Capital Gains and Capital Losses” below.

The cost to the Resident Holder of the New Boyd Common Shares acquired on the exchange will be equal to the fair market value thereof. The cost of the New Boyd Common Shares must be averaged with the adjusted cost base of all other common shares of New Boyd held by the Resident Holder as capital property to determine the adjusted cost base on a per share basis. New Boyd intends to post on its website, no later than 60 days after the implementation of the Arrangement, its position with respect to the aggregate fair market value per New Boyd Share as at the effective time of the exchange, based on the trading price of the Units and New Boyd Common Shares. This position will not, however, be binding on the CRA and Resident Holders should consult their own tax advisors with respect to the appropriate mechanism of valuing the New Boyd Common Shares received pursuant to the Arrangement.

### ***Exchange of BGHI Class A Common shares for New Boyd Common Shares under the Arrangement***

#### ***Tax-Deferred Rollover***

In general, a Resident Holder who exchanges BGHI Class A Common shares for New Boyd Common Shares pursuant to the Arrangement will be deemed to have disposed of such BGHI Class A Common shares under a tax-deferred share-for-share exchange pursuant to section 85.1 of the Tax Act, unless such Resident Holder chooses to recognize a capital gain or loss as described under the heading “Holders Resident in Canada – Exchange of BGHI Class A Common shares for New Boyd Common Shares under the Arrangement – No Rollover” below. Except where a Resident Holder chooses to recognize a capital gain or loss, the Resident Holder will be deemed to have disposed of the BGHI Class A Common shares for proceeds of disposition equal to the adjusted cost base of the BGHI Class A Common shares to such Resident Holder, determined immediately before the effective time of the share-for-share exchange, and the Resident Holder will be deemed to have acquired the New Boyd Common Shares at an aggregate cost equal to such adjusted cost base of the BGHI Class A Common shares. The cost of the New Boyd Common Shares must be averaged with the adjusted cost base of all other common shares of New Boyd held by the Resident Holder as capital property to determine the adjusted cost base on a per share basis.

### *No Rollover*

A Resident Holder may choose to recognize a capital gain or loss in respect of the exchange of BGHI Class A Common shares for New Boyd Common Shares pursuant to the Arrangement by including in computing such Holder's income the capital gain or loss otherwise determined for the taxation year in which the Arrangement takes place.

In such circumstances, the Resident Holder will realize a capital gain (or capital loss) equal to the amount, if any, by which the fair market value of the New Boyd Common Shares received exceeds (or is less than) the aggregate of the adjusted cost base of the BGHI Class A Common shares to the Resident Holder, determined immediately before the effective time of the share exchange, and any reasonable costs of disposition. For a description of the tax treatment of capital gains and capital losses, see "Holders Resident in Canada – Taxation of Capital Gains and Capital Losses" below.

In such circumstances, the cost of the New Boyd Common Shares acquired on the exchange will be equal to the fair market value thereof. The cost of the New Boyd Common Shares must be averaged with the adjusted cost base of all other common shares of New Boyd held by the Resident Holder as capital property to determine the adjusted cost base on a per share basis. New Boyd intends to post on its website, no later than 60 days after the implementation of the Arrangement, its position with respect to the aggregate fair market value per New Boyd Share as at the effective time of the exchange, based on the trading price of the Units and New Boyd Common Shares. This position will not, however, be binding on the CRA and Resident Holders should consult their own tax advisors with respect to the appropriate mechanism of valuing the New Boyd Common Shares received pursuant to the Arrangement.

### *Dividends on New Boyd Common Shares (Post-Arrangement)*

A Resident Holder who is an individual (other than certain trusts) will be required to include in income any dividends received or deemed to be received on the New Boyd Common Shares, and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by New Boyd as "eligible dividends" as defined in the Tax Act. Although there can be no assurance that any dividend paid by New Boyd will be designated as an "eligible dividend", Management's intention is to designate all future dividends paid by New Boyd as "eligible dividends" for purposes of the Tax Act and will post notification of such designation on its website following the Arrangement.

Dividends received or deemed to be received by an individual and certain trusts may give rise to a liability for alternative minimum tax under the Tax Act.

A Resident Holder that is a corporation will be required to include in income any dividend received or deemed to be received on its New Boyd Common Shares, and generally will be entitled to deduct an equivalent amount in computing its taxable income, subject to certain limitations in the Tax Act. A "private corporation" or a "subject corporation" (each as defined in the Tax Act) may be liable under Part IV of the Tax Act to pay a refundable tax of 38 1/3% on any dividend that it receives or is deemed to receive on its New Boyd Common Shares to the extent that the dividend

is deductible in computing the corporation's taxable income. A holder of New Boyd Common Shares that is, throughout the year, a "Canadian-controlled private corporation", as defined in the Tax Act, may be subject to an additional refundable tax at a rate of 10 2/3% percent on its "aggregate investment income" which includes, among other things, dividends that are not deductible in computing taxable income. Subsection 55(2) of the Tax Act provides that, where certain corporate holders of shares receive a dividend or deemed dividend in specified circumstances, all or part of such dividend may be treated as a capital gain from the disposition of capital property and not as a dividend. For a description of the tax treatment of capital gains and capital losses, see "Holders Resident in Canada – Taxation of Capital Gains and Capital Losses" below.

### *Disposition of New Boyd Common Shares (Post-Arrangement)*

A Resident Holder that disposes or is deemed to dispose of a New Boyd Common Share after the Arrangement will generally recognize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the New Boyd Common Share exceed (or is less than) the aggregate of the adjusted cost base to the Resident Holder of such New Boyd Common Share, determined immediately before the disposition, and any reasonable costs of disposition. For a description of the tax treatment of capital gains and capital losses, see "Holders Resident in Canada – Taxation of Capital Gains and Capital Losses" below.

### *Taxation of Capital Gains and Capital Losses*

Generally, one-half of any capital gain realized by a Resident Holder in a taxation year will be included in computing the Resident Holder's income in that taxation year as a taxable capital gain and, generally, one-half of any capital loss realized in a taxation year (an "**allowable capital loss**") must be deducted from the taxable capital gains realized by the Resident Holder in the same taxation year, in accordance with the rules contained in the Tax Act. Allowable capital losses in excess of taxable capital gains realized by a Resident Holder in a particular taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the Resident Holder in such taxation year, subject to and in accordance with the rules contained in the Tax Act.

Capital gains realized by an individual and certain trusts may give rise to a liability for alternative minimum tax under the Tax Act. A Resident Holder that is, throughout the year, a "Canadian-controlled private corporation", as defined in the Tax Act, may be subject to an additional refundable tax at a rate of 10 2/3% percent on its "aggregate investment income" which includes, among other things, taxable capital gains.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a BGHI Class Common share or New Boyd Common Share, as applicable, may be reduced by the amount of dividends received or deemed to be received by it on such share (or on a share for which the share has been substituted) to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns shares, directly or indirectly through a partnership or a trust.

Resident Shareholders to whom these rules may apply should consult their own tax advisors.

## Holders Not Resident in Canada

The following portion of the summary is generally applicable to a Holder who, at all relevant times and for purposes of the Tax Act, is not, and is not deemed to be, a resident of Canada and does not use or hold, and is not deemed to use or hold Units or BGHI Class A Common shares, as the case may be, and will not use or hold, or be deemed to use or hold, New Boyd Common Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). This portion of the summary is not generally applicable to a Non-Resident Holder that is: (i) an insurer carrying on an insurance business in Canada and elsewhere; (ii) a "financial institution" (as defined in the Tax Act); or (iii) an "authorized foreign bank" (as defined in the Tax Act).

### *Exchange of Units for New Boyd Common Shares under the Arrangement*

A Non-Resident Holder who exchanges Units for New Boyd Common Shares pursuant to the Arrangement will not be subject to tax under the Tax Act on any capital gain realized on such exchange unless the Units are "taxable Canadian property" to the Non-Resident Holder at the effective time of the unit-for-share exchange and the Units are not "treaty-protected property", each within the meaning of the Tax Act.

Units will not be considered taxable Canadian property to a Non-Resident Holder unless: (i) the Non-Resident Holder holds or uses, or is deemed to hold or use, the Units in the course of carrying on business in Canada; (ii) the Units are "designated insurance property" of the Non-Resident Holder, as defined for the purposes of the Tax Act; (iii) the Non-Resident Holder or persons with whom the Non-Resident Holder did not deal at arm's length, or any combination thereof, held 25% or more of the issued Units and, at any time during the 60-month period immediately preceding the disposition of the Units, more than 50% of the fair market value of the Units was derived directly or indirectly from any combination of real or immovable property situated in Canada, "Canadian resource properties" (within the meaning of the Tax Act), "timber resource properties" (with the meaning of the Tax Act), or an option in respect of, or interests in or rights in the aforementioned types of property; or (iv) an option in respect of, or interests in or rights in the aforementioned types of property.

Even if the Units are taxable Canadian property to a Non-Resident Holder, a taxable capital gain resulting from the disposition of the Units will not be included in computing the Non-Resident Holder's taxable income earned in Canada for the purposes of the Tax Act if, at the time of the disposition, the Units constitute "treaty protected property" of the Non-Resident Holder for purposes of the Tax Act. Units will generally be considered "treaty-protected property" of a Non-Resident Holder for purposes of the Tax Act at the time of the disposition if the gain from their disposition would, because of an applicable income tax treaty between Canada and the country in which the Non-Resident Holder is resident for purposes of such treaty and in respect of which the Non-Resident Holder is entitled to receive benefits thereunder, be exempt from tax under the Tax Act.

A Non-Resident Holder who disposes of taxable Canadian property that is not treaty-protected property may have to file a Canadian income tax return for the year in which the disposition occurs, regardless of whether the Non-Resident Holder is liable for Canadian tax on any gain realized as a result.

In the event that the Units constitute taxable Canadian property and are not treaty-protected property to a particular Non-Resident Holder, such Holder will realize a capital gain (or capital loss) generally in the circumstances as described under “*Holders Resident in Canada – Exchange of Units for New Boyd Common Shares under the Arrangement*” and “*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*”. A Non-Resident Holder who disposes of taxable Canadian property that is not treaty-protected property may have to file a Canadian income tax return for the year in which the disposition occurs, regardless of whether the Non-Resident Holder is liable for Canadian tax on any gain realized as a result.

Non-Resident Holders of Units should consult their own tax advisors for advice having regard to their particular circumstances, including whether their Units constitute treaty-protected property.

***Exchange of BGHI Class A Common shares for New Boyd Common Shares under the Arrangement***

A Non-Resident Holder who exchanges BGHI Class A Common shares for New Boyd Common Shares pursuant to the Arrangement will not be subject to tax under the Tax Act on such exchange unless: (1) the BGHI Class A Common shares are "taxable Canadian property" to the Non-Resident Holder at the effective time of the share-for-share exchange and the BGHI Class A Common shares are not "treaty-protected property", each within the meaning of the Tax Act; and (2) the Non-Resident Holder chooses not to have the automatic tax-deferral provisions of section 85.1 of the Tax Act apply by including in computing such Holder's Canadian return of income the capital gain otherwise determined for the taxation year in which the Arrangement takes place.

BGHI Class A Common shares will not be considered taxable Canadian property to a Non-Resident Holder unless: (i) the Non-Resident Holder holds or uses, or is deemed to hold or use, the BGHI Class A Common shares in the course of carrying on business in Canada; (ii) the BGHI Class A Common shares are "designated insurance property" of the Non-Resident Holder, as defined for the purposes of the Tax Act; or (iii) at any time during the 60-month period immediately preceding the disposition of the BGHI Class A Common shares, the BGHI Class A Common shares derive more than 50% of their fair market value directly or indirectly from any combination of real or immovable property situated in Canada, “Canadian resource properties” (within the meaning of the Tax Act), “timber resource properties” (with the meaning of the Tax Act) or an option in respect of, or interests in or rights in the aforementioned types of property. BGHI Class A Common shares may also be deemed to be taxable Canadian property in certain circumstances as set out in the Tax Act.

Even if the BGHI Class A Common shares are taxable Canadian property to a Non-Resident Holder, and the Non-Resident Holder chooses not to have the automatic tax-deferral provisions of section 85.1 of the Tax Act apply by including in computing such Holder's income the capital gain otherwise determined for the taxation year in which the Arrangement takes place, a taxable capital gain resulting from the disposition of the BGHI Class A Common shares will not be included in computing the Non-Resident Holder's taxable income earned in Canada for the purposes of the Tax Act if, at the time of the disposition, the BGHI Class A Common shares constitute “treaty protected property” of the Non-Resident Holder for purposes of the Tax Act. BGHI Class A Common shares will generally be considered “treaty-protected property” of a Non-Resident Holder for purposes of the Tax Act at the time of the disposition if the gain from their disposition

would, because of an applicable income tax treaty between Canada and the country in which the Non-Resident Holder is resident for purposes of such treaty and in respect of which the Non-Resident Holder is entitled to receive benefits thereunder, be exempt from tax under the Tax Act.

Where a Non-Resident Holder's BGHI Class A Common shares constituted taxable Canadian property and such BGHI Class A Common shares were exchanged for New Boyd Common Shares pursuant to the Arrangement, the New Boyd Common Shares received by such Non-Resident Holder on the exchange will be deemed to be taxable Canadian property to such Non-Resident Holder at any time that is within 60 months after the exchange.

Non-Resident Holders of BGHI Class A Common shares should consult their own tax advisors for advice having regard to their particular circumstances.

#### ***Dividends on New Boyd Common Shares (Post-Arrangement)***

Dividends paid or credited, or deemed to be paid or credited, on New Boyd Common Shares to a Non-Resident Holder generally will be subject to Canadian withholding tax at a rate of 25% of the gross amount of the dividend, unless the rate is reduced under the provisions of an applicable income tax convention between Canada and the Non-Resident Holder's jurisdiction of residence. For example, the rate of withholding tax under the *Canada – United States Income Tax Convention (1980)* (the "U.S. Treaty") applicable to a Non-Resident Holder who is a resident of the United States (the "U.S.") for the purposes of the U.S. Treaty, is the beneficial owner of the dividend, is entitled to all of the benefits under the U.S. Treaty, and who holds less than 10% of the voting stock of New Boyd generally will be 15%. New Boyd will be required to withhold the required amount of withholding tax from the dividend, and to remit it to CRA for the account of the Non-Resident Holder. Non-Resident Holders who may be eligible for a reduced rate of withholding tax on dividends pursuant to any applicable income tax convention should consult with their own tax advisors with respect to taking all appropriate steps in this regard.

#### ***Disposition of New Boyd Common Shares (Post-Arrangement)***

A Non-Resident Holder that disposes or is deemed to dispose of a New Boyd Common Share after the Arrangement will not be subject to tax under the Tax Act on any capital gain realized on such disposition unless the New Boyd Common Shares are "taxable Canadian property" to the Non-Resident Holder at the effective time of the disposition and the New Boyd Common Shares are not "treaty-protected property", each within the meaning of the Tax Act.

New Boyd Common Shares will not be considered taxable Canadian property to a Non-Resident Holder unless: (i) the Non-Resident Holder holds or uses, or is deemed to hold or use, the New Boyd Common Shares in the course of carrying on business in Canada; (ii) the New Boyd Common Shares are "designated insurance property" of the Non-Resident Holder, as defined for the purposes of the Tax Act; (iii) the Non-Resident Holder or persons with whom the Non-Resident Holder did not deal at arm's length, or any combination thereof, held 25% or more of the issued shares of any class of New Boyd, and, at any time during the 60-month period immediately preceding the disposition of the New Boyd Common Shares, more than 50% of the fair market value of the New Boyd Common Shares was derived directly or indirectly from any combination of real or immovable property situated in Canada, "Canadian resource properties" (within the

meaning of the Tax Act), “timber resource properties” (with the meaning of the Tax Act), or an option in respect of, or interests in or rights in the aforementioned types of property; or (iv) the New Boyd Common Shares are otherwise deemed to be taxable Canadian property under another provision of the Tax Act.

Even if the New Boyd Common Shares are taxable Canadian property to a Non-Resident Holder, a taxable capital gain resulting from the disposition of the New Boyd Common Shares will not be included in computing the Non-Resident Holder’s taxable income earned in Canada for the purposes of the Tax Act if, at the time of the disposition, the New Boyd Common Shares constitute “treaty protected property” of the Non-Resident Holder for purposes of the Tax Act. New Boyd Common Shares will generally be considered “treaty-protected property” of a Non-Resident Holder for purposes of the Tax Act at the time of the disposition if the gain from their disposition would, because of an applicable income tax treaty between Canada and the country in which the Non-Resident Holder is resident for purposes of such treaty and in respect of which the Non-Resident Holder is entitled to receive benefits thereunder, be exempt from tax under the Tax Act.

A Non-Resident Holder who disposes of taxable Canadian property that is not treaty-protected property may have to file a Canadian income tax return for the year in which the disposition occurs, regardless of whether the Non-Resident Holder is liable for Canadian tax on any gain realized as a result.

In the event that the New Boyd Common Shares constitute taxable Canadian property and are not treaty-protected property to a particular Non-Resident Holder, such Holder will realize a capital gain (or capital loss) generally in the circumstances as described under “Holders Resident in Canada – Disposition of New Boyd Common Shares (Post-Arrangement” and “Holders Resident in Canada – Taxation of Capital Gains and Capital Losses”. A Non-Resident Holder who disposes of taxable Canadian property that is not treaty-protected property may have to file a Canadian income tax return for the year in which the disposition occurs, regardless of whether the Non-Resident Holder is liable for Canadian tax on any gain realized as a result.

Non-Resident Holders of New Boyd Common Shares should consult their own tax advisors for advice having regard to their particular circumstances, including whether their New Boyd Common Shares constitute treaty-protected property.

## **Arrangement Dissent Rights**

### ***Dissenting BGHI Shareholders***

A Dissenting BGHI Shareholder is entitled, if the Arrangement becomes effective, to have the BGHI Class A Common shares held by the Dissenting BGHI Shareholder cancelled in exchange for a cash payment from BGHI (or a successor thereto) equal to the fair value of such Dissenting BGHI Shareholder’s BGHI Class A Common shares (the "**BGHI Dissent Payment**").

Provided that the amount of the BGHI Dissent Payment does not exceed the “paid-up capital” (as defined in the Tax Act and hereinafter referred to as “PUC”) of the Dissenting BGHI Shareholder’s cancelled BGHI Class A Common shares, the Dissenting BGHI Shareholder will realize a capital gain (or capital loss) equal to the amount by which the BGHI Dissent Payment exceeds (or is less



than) the aggregate of the adjusted cost base of the BGHI Class A Common shares to such Holder, determined immediately before the cancellation of such shares, and any reasonable costs of disposition.

Whether the amount of the BGHI Dissent Payment exceeds the PUC of the Dissenting BGHI Shareholders' cancelled BGHI Class A Common shares is a question of fact that can only be determined after the Effective Time. If the proviso is not satisfied, the Dissenting BGHI Shareholder will be deemed to have received a dividend from BGHI equal to the amount by which the BGHI Dissent Payment exceeds the PUC of the Dissenting BGHI Shareholder's cancelled BGHI Class A Common shares. The Dissenting BGHI Shareholder will also realize a capital gain (or capital loss) equal to the amount by which the BGHI Dissent Payment (net of the deemed dividend, reasonable costs of disposition) exceeds (or is less than) the adjusted cost base of the BGHI Class A Common shares to such Dissenting BGHI Shareholder, determined immediately before the cancellation of such shares.

**Dissenting BGHI Shareholders should consult their own tax advisors with respect to the tax consequences to them of exercising Dissent Rights.**

*Resident Holders who are Dissenting BGHI Shareholders*

The general tax consequences to a Resident Holder who is a Dissenting BGHI Shareholder of realizing a capital gain or capital loss are described above under the heading, "Holders Resident in Canada – Taxation of Capital Gains and Losses".

A Resident Holder that is a Dissenting BGHI Shareholder will be required to include in income any deemed dividend, the general tax consequences of which are described above under "Holders Resident in Canada – Dividends on New Boyd Common Shares (Post-Arrangement)". BGHI currently does not intend to designate any such deemed dividend as an "eligible dividend" for the purposes of the enhanced gross-up and dividend tax credit rules in the Tax Act.

*Non-Resident Holders who are Dissenting BGHI Shareholders*

A Non-Resident Holder who is a Dissenting BGHI Shareholder will not be subject to tax under the Tax Act on any capital gain realized on the cancellation of such Dissenting BGHI Shareholder's BGHI Class A Common shares unless the BGHI Class A Common shares are "taxable Canadian property" to the Non-Resident Holder at the effective time of the disposition and the BGHI Class A Common shares are not "treaty-protected property", each within the meaning of the Tax Act. The applicable considerations relating to the status of the BGHI Class A Common shares as "taxable Canadian property" are described above under "Holders Not Resident in Canada – Exchange of BGHI Class A Common shares for New Boyd Common Shares under the Arrangement".

In the event that a BGHI Class A Common share is taxable Canadian property to a Non-Resident Holder who is a Dissenting BGHI Shareholder, such Non-Resident Holder should consult its own tax advisor as to the Canadian tax consequences of the disposition. The tax consequences described above under "Arrangement Dissent Rights – Resident Holders who are Dissenting BGHI Shareholders" will generally apply.

The portion of the BGHI Dissent Payment that is paid to a Non-Resident Holder who is a Dissenting BGHI Shareholder in excess of the PUC of the Dissenting BGHI Shareholders' BGHI Class A Common shares will be subject to Canadian withholding tax at a rate of 25% of the gross amount of the deemed dividend, unless the rate is reduced under the provisions of an applicable income tax convention between Canada and the Non-Resident Holder's jurisdiction of residence. BGHI will be required to withhold the required amount of withholding tax from the dividend, and to remit it to CRA for the account of the Non-Resident Holder. Non-Resident Holders who may be eligible for a reduced rate of withholding tax on dividends pursuant to any applicable income tax convention should consult with their own tax advisors with respect to taking all appropriate steps in this regard.

### **Eligibility for Investment**

Based on the current provisions of the Tax Act and subject to the provision of any particular plan, the New Boyd Common Shares, if listed on a "designated stock exchange", within the meaning of the Tax Act (which currently includes the TSX), will constitute qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a registered education savings plan ("RESP"), a registered disability savings plan ("RDSP"), a deferred profit sharing plan ("DPSP") and a tax-free savings account ("TFSA"), each as defined in the Tax Act (herein each a "Plan" and collectively, the "Plans"). The Plans will generally not be liable for tax in respect of any dividends received from New Boyd or any capital gain realized on the disposition of any New Boyd Common Shares.

Notwithstanding that New Boyd Common Shares may be qualified investments for a Plan, a beneficiary, annuitant, or subscriber, as the case may be (each a "Plan Holder"), will be subject to a penalty tax on such shares if such shares are a prohibited investment for the Plan. New Boyd Common Shares will generally be a "prohibited investment" if the Plan Holder does not deal at arm's length with New Boyd for purposes of the Tax Act and has a "significant interest" (as defined in the Tax Act) in New Boyd. Plan Holders are advised to consult their own tax advisors with respect to whether New Boyd Common Shares are "prohibited investments" in their particular circumstances and the tax consequences of New Boyd Common Shares being acquired or held by a Plan.

**Holders who intend to hold the New Boyd Common Shares in a RRSP, RRIF, RESP, RDSP, DPSP or TFSA should consult their own tax advisors having regard to their own particular circumstances.**

### **INTEREST OF CERTAIN PERSONS IN THE ARRANGEMENT**

As at October 14, 2019, there were 211,416 BGHI Class A Common shares issued and outstanding, representing approximately 1.1% of the maximum number of votes which may be cast at the Meeting. As at October 14, 2019, 4612094 owned 107,329 BGHI Class A Common shares which, as at that date, represented approximately 0.6% of the maximum number of votes which may be cast at the Meeting. 4612094 is controlled by Brock Bulbuck (CEO of the Fund, BGI and BGHI) and members of his family. Pursuant to the Fund Declaration of Trust, BGHI may cast votes at the Meeting equal to the number of outstanding BGHI Class A Common shares. BGHI has agreed to exercise voting rights with respect to the Arrangement by voting in favour of or against in the

same proportions as, and only to the extent that, votes are cast by the BGHI Class A Common Shareholders in favour of, or against, the BGHI Arrangement Resolution at the BGHI Meeting. See “General Proxy Matters - Appointment and Revocation of Proxies”.

Any awards payable under the Fund LTIP as at December 31, 2019, will be paid by the Fund within 90 days of that date. There is no expectation that any amounts will be due under the BGI DSU as at December 31, 2019 as those amounts only become payable upon the retirement of a director of BGI from the Board of Directors of BGI. For details of the Fund LTIP and the BGI DSU, please see the 2019 Annual Meeting Circular.

## **DESCRIPTION OF THE FUND**

The Fund is a limited purpose trust and its operations and activities are restricted to:

- (a) investing in securities, including those issued by BGI and BGHI;
- (b) temporarily holding cash in interest bearing accounts, short-term government debt or investment grade corporate debt for the purposes of paying its expenses, paying amounts in connection with the redemption of any Units or other securities and making distributions to the Unitholders;
- (c) issuing Units or securities convertible into Units for cash or in satisfaction of any non-cash distribution or in order to acquire securities, including those issued by BGI and BGHI;
- (d) issuing debt securities or otherwise borrowing as determined by the Trustees;
- (e) guaranteeing (as guarantor, surety or principal obligor) the obligations of BGI, BGHI or any affiliate of BGI, BGHI or the Fund pursuant to any good faith debt for borrowed money incurred by BGI, BGHI or an affiliate, as the case may be, and pledging securities issued by BGI, BGHI, the Fund or the affiliate, as the case may be, or any other Fund asset or any such affiliate as security for such guarantee;
- (f) issuing or redeeming rights and Units pursuant to any Unitholder rights plan adopted by the Fund;
- (g) purchasing securities pursuant to any issuer bid made by the Fund;
- (h) satisfying the obligations, liabilities or indebtedness of the Fund; and
- (i) undertaking such other activities, or taking such actions, including investing in securities as are related to or in connection with the foregoing or as contemplated by the Declaration of Trust or as may be approved by the Trustees in their discretion from time to time,

provided that the Fund will not undertake any activity, take any action, or make any investment which would result in the Fund not being considered a "mutual fund trust" for purposes of the Tax

Act or result in the Units constituting "foreign property" for the purposes of Part XI of the Tax Act.

The head office of the Fund is located at 1745 Ellice Avenue, Unit C1, Winnipeg, Manitoba, R3H 1A6, and its head office telephone number is (204) 895-1244.

### **The Business of BGI**

Through BGI and its subsidiaries (including Boyd US), BGI is one of the largest operators of non-franchised collision repair centres in North America in terms of number of locations and sales. BGI and its subsidiaries currently operate locations in five Canadian provinces under the trade names Boyd Autobody & Glass and Assured Automotive, as well as in 27 U.S. states (through Boyd US) under the trade name Gerber Collision & Glass. BGI, through its subsidiaries, is also a major retail auto glass operator in that country with operations across 34 U.S. states under the trade names Gerber Collision & Glass, Glass America, Auto Glass Services, Auto Glass Authority and Autoglassonly.com. The Company also operates Gerber National Claims Services, which offers glass, emergency roadside and first notice of loss services with approximately 5,500 affiliated glass provider locations and approximately 4,600 affiliated emergency roadside services providers throughout the U.S.

### **Fund Units**

The beneficial interests in the Fund are divided into interests of one class, described and designated as "Fund Units". An unlimited number of Fund Units are issuable pursuant to the Fund Declaration of Trust.

Each Unit represents an equal fractional undivided beneficial interest in any distributions from the Fund, and in any net assets of the Fund in the event of a termination or winding-up of the Fund. All Units are of the same class with equal rights and privileges. Each Unit is transferable, entitles the holder thereof to participate equally in distributions, including the distributions of net earnings and net realized capital gains of the Fund and distributions on termination or winding-up of the Fund, is fully paid and non-assessable and entitles the holder thereof to one vote at all meetings of Unitholders for each Unit held.

### **Cash Distributions**

The Fund makes monthly cash distributions to Unitholders of the interest income or principal repayments received in respect of the Notes and dividends and distributions received on, and amounts, if any, received on redemption or repayment of capital in respect of securities of BGI and BGHI held by the Fund, net of expenses, reserves and any cash redemptions of Units. The payment of interest and dividends by BGI are subject to compliance with the terms and conditions of BGI's credit facilities with its senior lender.

The following table sets forth the per unit distributions or per share dividend declared and paid to Unitholders and BGHI Class A Common Shareholders during the past two fiscal years and for the first nine months of 2019:

	<b>2019</b>	<b>2018</b>	<b>2017</b>
January.....	<b>\$0.045</b>	\$0.044	\$0.043
February.....	<b>0.045</b>	0.044	0.043
March.....	<b>0.045</b>	0.044	0.043
April.....	<b>0.045</b>	0.044	0.043
May.....	<b>0.045</b>	0.044	0.043
June.....	<b>0.045</b>	0.044	0.043
July.....	<b>0.045</b>	0.044	0.043
August.....	<b>0.045</b>	0.044	0.043
September.....	<b>0.045</b>	0.044	0.043
October.....	<b>TBD</b>	0.044	0.043
November.....	<b>TBD</b>	0.045	0.044
December.....	<b>TBD</b>	0.045	0.044

### Market for Securities

The Units of the Fund are listed and posted for trading on the Toronto Stock Exchange under the symbol “BYD.UN”. Upon completion of the substitutional listing, the New Boyd Common Shares will be listed and posted for trading on the Toronto Stock Exchange under the symbol “BYD”.

The monthly trading volume and price ranges of the Units traded at the TSX over the Fund’s last financial year and for the first 9 months of 2019 are as follows:

<b><u>Month</u></b>	<b><u>High</u></b>	<b><u>Low</u></b>	<b><u>Volume</u></b>
January 2018.....	\$106.94	\$99.51	512,852
February 2018.....	108.10	97.99	680,094
March 2018.....	111.99	100.07	920,224
April 2018.....	111.00	103.62	421,112
May 2018.....	115.50	104.26	663,915
June 2018.....	122.78	113.15	808,081
July 2018.....	123.48	115.75	770,434
August 2018.....	130.98	113.89	969,792
September 2018.....	133.00	125.58	1,488,381
October 2018.....	130.38	116.47	1,237,036
November 2018.....	124.40	102.59	1,867,543
December 2018.....	121.21	103.17	931,072
January 2019.....	121.38	106.75	677,142
February 2019.....	125.50	118.25	468,150
March 2019.....	142.46	121.24	1,184,637
April 2019.....	153.06	137.95	1,557,983
May 2019.....	171.96	147.15	1,233,272
June 2019.....	178.42	160.54	946,995
July 2019.....	177.94	164.57	638,025
August 2019.....	182.22	167.38	680,527
September 2019.....	186.99	172.63	707,300

## **Additional Information**

Additional information relating to the Fund is available in the AIF which is incorporated by reference in this Information Circular and is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information concerning the Fund and BGI is provided in their respective financial statements for the year ended December 31, 2018 and the accompanying annual management's discussion and analysis which can be accessed on SEDAR or copies thereof can be requested without charge from the Chief Financial Officer of The Boyd Group Inc. at 1745 Ellice Avenue, Unit C1, Winnipeg, Manitoba R3H 1A6, or at (204) 895-1244, ext. 33841.

## **DESCRIPTION OF BGHI**

### **General**

BGHI was incorporated under the laws of the Province of Manitoba on December 13, 2002 and continued under the CBCA on February 27, 2003. The principal and head office of the Corporation is located at 1745 Ellice Avenue, Unit C1, Winnipeg, Manitoba, R3H 1A6.

BGHI was incorporated in connection with the reorganization of BGI in February, 2003 into an income trust. See "Business of the Special Meeting – Background to and Reasons for the Arrangement". Pursuant to that reorganization most of the holders of Class A (Restricted Voting) Shares of BGI had 64.96% of their shareholdings converted into Fund Unit and 35.04% of their shareholdings converted into BGHI Class A Common shares.

BGHI is controlled by the Fund pursuant to the Fund's ownership of Voting Shares. BGHI owns all of the issued and outstanding BGI Class II Shares.

BGHI does not carry on any active business.

### **Exchange of BGHI Class A Common shares**

The BGHI Class A Common Shareholders are entitled to retract their BGHI Class A Common shares at any time in exchange for Fund Units on a one for one basis. BGHI must exchange its Class B Common shares for Fund Units on a one for one basis, pursuant to the terms of the Exchange Agreement among BGHI, the Fund, BGI and 4612094 dated February 25, 2003 (the "**Exchange Agreement**").

Pursuant to the terms of the Exchange Agreement, BGHI can subscribe for Fund Units in an amount equal to the number of the BGHI Class A Common shares retracted from time to time by the BGHI Class A Common Shareholders and pursuant to the BGHI's direction, the Fund must issue Fund Units to those Shareholders in return for one BGHI Class B Common share for each Fund Unit so issued. The BGHI Class B Common shares are entitled to share rateably with the BGHI Class A Common shares in all dividends paid from time to time by BGHI on its shares. Upon obtaining BGHI Class B Common shares, the Fund transfers them to BGI in return for BGI Class I Shares and promissory notes of BGI.

BGHI is entitled to receive dividends pursuant to its ownership of BGI Class II shares, if, as and when declared by the Board of Directors of BGI. Subject to payment of a preferential dividend at the rate of \$0.005 per share on the BGI Class I shares, annual dividends payable on each BGHI Class II Share in any year were to be in an amount to be not less than the amount of distributions paid on each Fund Unit for such year.

### **DESCRIPTION OF NEW BOYD**

New Boyd was incorporated on September 19, 2019 pursuant to the provisions of the CBCA, for purposes of effecting the Conversion. The principal and head office of New Boyd will, following completion of the Arrangement, be located at 1745 Ellice Avenue, Unit C1, Winnipeg, Manitoba, R3H 1A6.

New Boyd will, as a result of the Arrangement, become (or, where necessary, seek to become) a reporting issuer in all Canadian provinces (other than Quebec) on the Effective Date and, accordingly, become subject to the informational reporting requirements under the securities laws of each jurisdiction in which it so becomes a reporting issuer. See Appendix “E” to this Information Circular for a detailed description of New Boyd.

### **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

During the fiscal year ending December 31, 2018, no Trustee, director or executive officer, or any associate or affiliate of the foregoing persons had any material interest, direct or indirect, in any material transaction with the Fund or any of its subsidiaries, except for the employment agreements entered into by BGI or its subsidiaries with its executive officers as well as the property lease arrangements described in the 2019 Annual Meeting Circular. See the disclosure under the heading “Interest of Management and Others in Material Transactions” in the 2019 Annual Meeting Circular for additional information.

### **RISK FACTORS**

Unitholders should carefully consider the risk factors set out below regarding the risks of converting to a public corporation and consider all other information contained herein and in the Fund’s other public filings before determining how to vote on the matters before the Meeting.

#### **Risk Factors Relating to New Boyd and the Arrangement**

##### ***Conditions Precedent and Regulatory Approvals***

The completion of the Arrangement in the form contemplated by the Arrangement Agreement is subject to a number of conditions precedent, some of which are outside the control of the Fund and New Boyd, including, without limitation, receipt of Unitholder approval at the Meeting, third party consents and approvals as well as the approval of the TSX for the substitutional listing of the New Boyd Common Shares to be issued pursuant to the Arrangement and the granting of the Final Order by the Court. There can be no certainty, nor can the Fund provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. Failure to obtain the Final Order on terms acceptable to the Trustees would likely result in the decision being made not to proceed with the Arrangement. If any consents or approvals cannot be obtained on terms

satisfactory to the Trustees or at all, the Plan of Arrangement may have to be amended in order to mitigate against the negative consequence of the failure to obtain any such consent, exemption or approval, and accordingly, the benefits available to Fund Unitholders resulting from the Arrangement may be reduced. Alternatively, in the event that the Plan of Arrangement cannot be amended so as to mitigate against the negative consequences of the failure to obtain a regulatory consent, exemption or approval, the Arrangement may not proceed at all. If the Arrangement is not completed, the market price of the Fund Units may be adversely affected.

### ***Payment of Dividends***

As a corporation, New Boyd's dividend policy will be at the discretion of New Boyd's board of directors. Future dividends, if any, will depend on results of operations, cash requirements, financial condition, contractual restrictions, business opportunities, provisions of applicable law and other factors that the board of directors may deem relevant. Accordingly, the payment of dividends by New Boyd and the level thereof will be uncertain, although as at the date of this Information Circular, the Trustees and Management expect that dividends will be paid at the same level as is currently declared and distributed by the Fund in respect of the Units.

### ***General Risk Factors***

For a description of certain risk factors in respect of the business of the Fund Group and the industry in which it operates which will continue to apply to New Boyd after the Effective Date, see "Business Risks and Uncertainties" in the 2019 AIF.

## **OTHER BUSINESS**

As of the date hereof, Management does not know of any matters to be brought before the Meeting other than those set forth in the Notice of Meeting accompanying this Information Circular.

## **TRUSTEES' APPROVAL**

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

DATED at Winnipeg, Manitoba, on October 14, 2019.

(signed) "*Brock Bulbuck*"

Brock Bulbuck  
Chief Executive Officer,  
Boyd Group Income Fund



## APPENDIX “A” - ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE VOTING UNITHOLDERS THAT:

- (a) the plan of arrangement (the “Arrangement”) under Section 192 of the Canada Business Corporations Act (the “CBCA”) substantially as set forth in the Plan of Arrangement (the “Plan of Arrangement”) attached as Exhibit “A” to Appendix “D” to the management information circular (the “Information Circular”) of Boyd Group Income Fund (the “Fund”) dated October 14, 2019 and all transactions contemplated thereby, be and are hereby authorized and approved;
- (b) the arrangement agreement (“Arrangement Agreement”) dated September 19, 2019 among Boyd Group Services Inc. (“New Boyd”), the Fund, The Boyd Group Inc. (“BGI”), Boyd Group Holdings Inc. (“BGHI”) and 4612094 Manitoba Inc. (“4612094”), a copy of which is attached as Appendix “D” to the Information Circular, together with such amendments or variations thereto made in accordance with the terms of the Arrangement Agreement as may be approved by the persons referred to in paragraph (e) hereof, such approval to be evidenced conclusively by the execution and delivery of any such amendments or variations, is hereby confirmed, ratified and approved;
- (c) the Trustees of the Fund are hereby authorized to vote or permit to be voted any other securities of a member of the Fund Group (as defined in the Information Circular) that are directly or indirectly owned or controlled by the Fund, to authorize the Arrangement and related matters, including any amendment to the constating documents of any member of the Fund Group to facilitate the Arrangement;
- (d) notwithstanding that this resolution has been duly passed and/or that the Arrangement has received the approval of the Court of Queen’s Bench (Manitoba), the Trustees of the Fund or the board of directors of New Boyd may, without further notice to or approval of the holders of Units (each as defined in the Information Circular), subject to the terms of the Arrangement, amend or terminate the Arrangement Agreement or the Plan of Arrangement or revoke this resolution at any time prior to the Arrangement becoming effective pursuant to the CBCA; and
- (e) any Trustee of the Fund and any director or officer of New Boyd, on behalf of itself, is hereby authorized, for and on behalf of the Fund and New Boyd, as applicable, to execute and deliver Articles of Arrangement and to execute, with or without the corporate seal, and, if appropriate, deliver all other documents and instruments and do all other things as in the opinion of such Trustee, director or officer may be necessary or advisable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action.

File No. CI 19-01-23466

THE QUEEN'S BENCH  
WINNIPEG CENTRE

IN THE MATTER OF: Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended

AND IN THE MATTER OF: A Proposed Arrangement involving BOYD GROUP SERVICES INC., BOYD GROUP INCOME FUND, THE BOYD GROUP INC., BOYD GROUP HOLDINGS INC. and 4612094 MANITOBA INC.

BETWEEN:

BOYD GROUP INCOME FUND and BOYD GROUP HOLDINGS INC.,

Applicants,

- and -

THE HOLDERS OF UNITS OF BOYD GROUP INCOME FUND AND SHARES OF BOYD GROUP HOLDINGS INC.,

Respondents.

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INTERIM ORDER

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Thompson Dorfman Sweatman LLP  
Barristers and Solicitors  
1700 - 242 Hargrave Street  
Winnipeg MB R3C 0V1  
(Matter No. 0165926 GJT)  
(Ross A. McFadyen: 204-934-2378)  
(Facsimile: 204-934-0538)  
(Toll Free: 1-855-483-7529)  
(Email: ram@tdslaw.com)

THE QUEEN'S BENCH

WINNIPEG CENTRE

THE HONOURABLE ) Tuesday, the 1<sup>st</sup> day of October,  
 ) 2019  
MR. JUSTICE MARTIN )

IN THE MATTER OF: Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended

AND IN THE MATTER OF: A Proposed Arrangement involving BOYD GROUP SERVICES INC., BOYD GROUP INCOME FUND, THE BOYD GROUP INC., BOYD GROUP HOLDINGS INC. and 4612094 MANITOBA INC.

BETWEEN:

BOYD GROUP INCOME FUND and BOYD GROUP HOLDINGS INC.,

Applicants,

- and -

THE HOLDERS OF UNITS OF BOYD GROUP INCOME FUND AND SHARES OF BOYD GROUP HOLDINGS INC.,

Respondents.

INTERIM ORDER

THIS MOTION, made by the Applicants pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "CBCA") for an interim order for advice and directions in connection with the within

Original Court Copy

no other person, including the Unitholders of the Fund and the shareholders of BGHI needs to be served with the Notice of Application, the Notice of Motion or the Supporting Affidavit for the purposes of this motion for an Interim Order.

**Retraction of BGHI Class A Common Shares**

3. THIS COURT ORDERS THAT the final date for a BGHI Class A Common Shareholder to submit a Retraction Notice under the BGHI Articles of Continuance shall be the date which is 21 clear days prior to the Effective Date of the Arrangement, failing which the BGHI Class A Common shares will be exchanged for New Boyd Common Shares pursuant to the Arrangement.

**The Meetings**

4. THIS COURT ORDERS that,

(a) in accordance with Article 12 of the Fund Declaration of Trust, the Trustees of the Fund shall be permitted to call, hold and conduct the Meeting, at which Unitholders of the Fund will be asked to, among other things, consider and, if deemed advisable, pass, with or without variation, the Arrangement Resolution, a copy of which is located in the Circular, to, among other things, authorize, approve and adopt the Plan of Arrangement; and

- (b) in accordance with section 6 of the by-laws of BGHI (the “BGHI Bylaws”), the Directors of BGHI shall be permitted to call, hold and conduct the BGHI Meeting, at which the BGHI Shareholders will be asked to, among other things, consider and, if deemed advisable, pass, with or without variation, the BGHI Arrangement Resolution (and, together with the Arrangement Resolution, the “Arrangement Resolutions”), a copy of which is located in the BGHI Information Circular, to, among other things, authorize, approve and adopt the Plan of Arrangement.

5. THIS COURT ORDERS that, in accordance with Article 12 of the Declaration of Trust and section 6 of the BGHI Bylaws, the record date (the “Record Date”) for each of the Meeting and the BGHI Meeting (collectively hereinafter referred to as the “Meetings”) shall be on October 14, 2019.

6. THIS COURT ORDERS that, for the purposes of the Meetings and in accordance with Article 12 of the Declaration of Trust, the quorum requirement shall be two or more individuals present in person either holding personally or representing as proxies, not less in aggregate than 5% of the total votes attached to all outstanding Units, and the quorum requirement for the BGHI Meeting shall be one or more individuals present in person or represented by proxy of not less in aggregate than 20% of all votes entitled to be cast based on the number and class of shares then issued and for the time being enjoying voting rights at such meeting.

7. THIS COURT ORDERS that, subject to the Declaration of Trust and the BGHI Bylaws, the only persons entitled to attend at the Meetings shall be:

- (a) the Unitholders and the BGHI Shareholders, as applicable, or their respective proxy holders;
- (b) the Applicants' trustees, officers, directors, auditors and advisors;
- (c) the Director; and
- (d) other persons who may receive the permission of the Chair of the relevant Meeting.

8. THIS COURT ORDERS that, in accordance with Article 12 of the Declaration of Trust and the BGHI Bylaws, at the Meetings, the Applicants may also transact such other business as is contemplated by the Circular and BGHI Information Circular, as applicable, or as otherwise may be properly brought before the Meetings.

**Amendments to the Arrangement and Plan of Arrangement**

9. THIS COURT ORDERS that, subject to compliance with the Declaration of Trust, the BGHI Bylaws and applicable securities laws, the Applicants are authorized to make such amendments, revisions and/or supplements to the Arrangement and to the Plan of Arrangement as they may determine without any

additional notice to the Unitholders and the BGHI shareholders, or others entitled to receive notice under paragraphs 17 and 18 hereof, and the Arrangement and the Plan of Arrangement, as so amended, revised and/or supplemented, shall be the Arrangement and the Plan of Arrangement to be submitted to the Unitholders and BGHI Shareholders, respectively, at the Meetings and shall be the subject of the Arrangement Resolution and BGHI Arrangement Resolution, respectively. Amendments, modifications or supplements may be made following the Meetings, but shall be subject to review and, if appropriate, further direction by this Honourable Court at the hearing for the final approval of the Arrangement. Any such amendments, revisions and/or supplements to the Arrangement or Plan of Arrangement, if of a material nature, shall be specifically drawn to the attention of the Court in connection with the hearing before this Honourable Court for final approval of the Arrangement.

**Adjournments and Postponements**

10. THIS COURT ORDERS that the Applicants, if they deem advisable and subject to compliance with Article 12 of the Declaration of Trust and the BGHI Bylaws, as applicable, are specifically authorized to adjourn or postpone the Meetings on one or more occasions, without the necessity of first convening the Meetings or first obtaining any vote of the Unitholders or BGHI Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as the Applicants may determine

is appropriate in the circumstances. This provision shall not limit the authority of the respective Chairperson of the Meetings in respect of adjournments and postponements.

**Notice of the Meetings**

11. THIS COURT ORDERS that the Applicants shall give notice of the Meetings in compliance with the Declaration of Trust and the BGHI Bylaws, substantially in the form of the notices (the “Notices of Meeting” or, in the singular, “Notice of Meeting”) found in the Circular and BGHI Information Circular, subject to the Applicants’ ability to change dates and other relevant information in the final form of the Notices of Meeting in accordance with Article 12 of the Declaration of Trust and the BGHI Bylaws. Compliance with this paragraph shall constitute sufficient notice of the Meetings.

12. THIS COURT ORDERS that accidental failure or omission by the Applicants to give notices of the meetings or to distribute the Meeting Materials (as defined herein) to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of the Applicants, or the non-receipt of such notices shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meetings. If any such failure or omission is brought to the attention of the Applicants, they shall use their



best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

**Solicitation of Proxies**

13. THIS COURT ORDERS that the Applicants are authorized to use proxies at the Meetings in accordance with Article 12 of the Declaration of Trust and the BGHI Bylaws.

14. THIS COURT ORDERS that any proxy to be used at the Meetings must be received by the Fund's transfer agent, Computershare Investor Services Inc., Attention: Proxy Department, in accordance with any time provisions contained in Article 12 of the Declaration of Trust and the BGHI Bylaws.

15. THIS COURT ORDERS that the Applicants may waive generally, in their discretion, the time limits set out in the Circular or the BGHI Information Circular, for the deposit or revocation of proxies by Unitholders or BGHI Shareholders, as the case may be, if the Applicants deem it advisable to do so.

16. THIS COURT ORDERS that Unitholders and BGHI Shareholders shall be entitled to revoke their proxies in accordance with section 148(4) of the CBCA.

**Method of Distribution of Meeting Materials and Court Materials**

17. THIS COURT ORDERS that the Applicants are hereby authorized and directed to distribute the Notice of Application, this Order, the Notice of Meeting, the Circular, the form of proxy, the Letter of Transmittal and any other communications or documents determined by the Applicants to be necessary or desirable (collectively, the "Meeting Materials") in accordance with the Declaration of Trust, as follows:

- (a) to (i) registered Unitholders entitled to vote as at the Record Date, (ii) the trustees of the Fund, and (iii) the auditor of the Fund; respectively, by pre-paid ordinary mail (or, at their option, but not required, by delivery in person or by courier) not later than twenty-one (21) days and not more than fifty (50) days prior to the date established for the Meeting in the Notice of Meeting. Distribution to such persons shall be to their addresses as they appear on the books and records of the Fund, as applicable, as of the Record Date; and
- (b) to Non-Registered Unitholders by the Fund complying with its obligations under National Instrument 54-101 of the Canadian Securities Administrators.

18. THIS COURT ORDERS that the Applicants are hereby authorized and directed to distribute the Notice of Application, this Order, the Notice of Meeting relating to BGHI (the "BGHI Notice"), the BGHI Information Circular, the form of

proxy, the Letter of Transmittal and any other communications or documents determined by the Applicants to be necessary or desirable (collectively, the "BGHI Meeting Materials") in accordance with the BGHI Bylaws to

- (a) (i) registered BGHI Shareholders entitled to vote as at the Record Date, (ii) the directors of BGHI, and (iii) the auditor of BGHI; respectively, by pre-paid ordinary mail (or, at their option, but not required, by delivery in person or by courier) not later than twenty-one (21) days and not more than fifty (50) days prior to the date established for the BGHI Meeting in the BGHI Notice of Meeting. Distribution to such persons shall be to their addresses as they appear on the books and records of BGHI, as applicable, as of the Record Date; and
- (b) to Non-Registered BGHI Shareholders by BGHI complying with its obligations under National Instrument 54-101 of the Canadian Securities Administrators.

19. THIS COURT ORDERS that the Applicants are hereby authorized to distribute the Notice of Application, this Order, the Notice, the BGHI Notice of Meeting, the Circular, the BGHI Information Circular and any other communications or documents determined by the Applicants to be necessary or desirable (collectively, the "Court Materials"), concurrently with the distribution described in paragraphs 17 and 18 of this Order, to any other persons the Applicants deem

appropriate by pre-paid ordinary mail or by delivery, in person or by courier, or, for those persons that are currently trustees, partners, employees, officers or directors of the Applicants, by email. Distribution to such persons shall be to their addresses (whether electronic or otherwise) as they appear on the books and records of the Applicants, as applicable, as of the Record Date. In any event, distribution of the Meeting Materials, the BGHI Meeting Materials or the Court Materials to such persons by regular mail shall be deemed to be effective on the third (3<sup>rd</sup>) business day after mailing and distribution thereof by fax, email or courier shall be deemed to be effective on the first business day after distribution in such manner.

20. THIS COURT ORDERS that the Applicants are hereby authorized to make such amendments, revisions or supplements ("Additional Information") to the Meeting Materials, the BGHI Meeting Materials and/or Court Materials as the Applicants may determine in accordance with the provisions of the Declaration of Trust and the BGHI Bylaws, as applicable, and, subject to the Declaration of Trust and the BGHI Bylaws, as applicable, the Applicants shall distribute such Additional Information by press release, by newspaper advertisement, by pre-paid ordinary mail, by delivery, in person or by courier, or by the most reasonably practicable method in the circumstances as the Applicants may reasonably determine.

21. THIS COURT ORDERS that distribution of the Meeting Materials, the BGHI Meeting Materials and Court Materials, as well as any Additional Information, pursuant to paragraphs 17, 18, 19 and 20 of this Order, shall constitute good and

sufficient service and notice thereof upon all such persons of the Meetings and the within Application. Further, no other form of service of the Meeting Materials, the BGHI Meeting Materials, the Court Materials or any Additional Information or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meetings to the persons described in paragraphs 17, 18, 19 and 20 of this Order or to any other persons.

**Voting**

22. THIS COURT ORDERS that, in accordance with Article 12 of the Declaration of Trust and the BGHI Bylaws, the only persons entitled to vote in person or by proxy on the Arrangement Resolution and the BGHI Arrangement Resolution, respectively, or such other business as may be properly brought before the Meetings shall be the Unitholders (and deemed Unitholders, in the case of BGHI at the Meeting) and the BGHI Shareholders, as applicable, as at the Record Date.

23. THIS COURT ORDERS that, in accordance with Article 12 of the Declaration of Trust, the Arrangement Resolution must be passed at the Meeting by the affirmative vote of more than two-thirds of the votes cast in respect of the Arrangement Resolution by the Unitholders present in person, or represented by proxy, at the Meeting who are entitled to vote in accordance with paragraph 17 above.

24. THIS COURT ORDERS that, in compliance with subsection 176(6) of the CBCA, and so as to meet the same standard of approval as provided for the Fund in paragraph 23, the BGHI Arrangement Resolution must be passed at the BGHI Meeting by the affirmative vote of more than two-thirds of the votes cast in respect of each class of the BGHI Shares, being BGHI Class A Common shares, BGHI Class B Common shares and BGHI Voting shares, in favour of the BGHI Arrangement Resolution by the BGHI Shareholders present in person, or represented by proxy, at the BGHI Meeting who are entitled to vote in accordance with paragraph 18 above.

25. THIS COURT ORDERS that, in compliance with (i) Article 12 of the Declaration of Trust and in respect of the vote on the Arrangement Resolution, each Unitholder is entitled to one (1) vote for each such Fund Unit held; and (ii) section 176 of the CBCA and section 6.05 of the BGHI Bylaws, and in respect of the vote on the BGHI Arrangement Resolution, the BGHI Shareholders are entitled to vote separately as a class on the basis of one (1) vote for each BGHI Share of such class held.

**Dissent Rights**

26. THIS COURT ORDERS that each registered BGHI Class A Common Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 190 of the CBCA (except as the

procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 190(5) of the CBCA, any BGHI Class A Common Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to BGHI in the form required by section 190 of the CBCA and the Arrangement Agreement, which written objection must be received by BGHI not later than 5:00 p.m. (Central time) on the last business day immediately preceding the BGHI Meeting (or any adjournment or postponement thereof), and must otherwise strictly comply with the requirements of the CBCA. For purposes of these proceedings, the "court" referred to in section 190 of the CBCA means this Honourable Court.

27. THIS COURT ORDERS that any BGHI Class A Common Shareholder who duly exercises such Dissent Rights set out in paragraph 26 above and who:

- (a) is ultimately determined by this Honourable Court to be entitled to be paid fair value for his, her or its voting common shares, shall be deemed to have transferred those voting common shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to BGHI for cancellation in consideration for a payment of cash from BGHI equal to such fair value; or

- (b) is for any reason ultimately determined by this Honourable Court not to be entitled to be paid fair value for his, her or its voting common shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting BGHI Class A Common Shareholder;

but in no case shall BGHI or any other person be required to recognize such BGHI Class A Common Shareholders as holders of voting common shares of BGHI at or after the date upon which the Arrangement becomes effective and the names of such BGHI Class A Common Shareholders shall be deleted from BGHI's register of holders of BGHI Class A Common shares at that time

**Hearing of Application for Approval of the Arrangement**

28. THIS COURT ORDERS that, upon the passing of the Arrangement Resolution and the BGHI Arrangement Resolution pursuant to the provisions of paragraphs 23 and 24 hereof, respectively, the Applicants shall be permitted to apply to this Honourable Court for final approval of the Arrangement pursuant to the within Notice of Application on December 10, 2019 at 9:00 a.m. (or on such other date directed by this Honourable Court).

29. THIS COURT ORDERS that the only persons entitled to appear and be heard at the hearing of the within Application shall be:



- (a) the Applicants and their counsel;
- (b) any person who has provided written notice of an intention to appear at the hearing of the within Application to the Court and to counsel for the Applicants, in accordance with paragraph 30 below; and
- (c) the Director under the CBCA.

30. THIS COURT ORDERS that any party desiring to appear and make submissions at the final hearing of this application on December 10, 2019 at 9:00 a.m., is required to file with this Honourable Court and serve upon the Applicants on or before December 5, 2019 at 2:00 p.m., a written notice of their intention to appear, together with any evidence or materials such party intends to present at the Court, setting out such party's address for service by pre-paid ordinary mail and by email, and indicating whether such party intends to support or oppose the application or make submissions and if so, the basis for such submissions. Service of such notice on the Applicants shall be effected by service upon counsel for the Applicants at the following address: Thompson Dorfman Sweatman LLP, 1700-242 Hargrave Street, Winnipeg, Manitoba, R3C 0V1, Attention: Ross A. McFadyen.

31. THIS COURT ORDERS that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is

adjourned, only those persons set out in paragraph 29 shall be entitled to be given notice of the adjourned date.

**Precedence**

32. THIS COURT ORDERS that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Units of the Fund, or to the shares of BGHI, or the Articles of Continuance of BGHI, or the BGHI Bylaws, this Interim Order shall govern.

**Variance**

33. THIS COURT ORDERS that the Applicants shall be entitled to seek leave to vary this Order upon such terms and upon the giving of such notice, if any, as this Honourable Court may direct.

October 1, 2019

C.W. 2019.10.02  
Martin, J. 10:21:43 -05'00'  

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JUSTICE MARTIN

File No. CI 19-01-

THE QUEEN'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF: Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended

AND IN THE MATTER OF: A Proposed Arrangement involving BOYD GROUP SERVICES INC., BOYD GROUP INCOME FUND, THE BOYD GROUP INC., BOYD GROUP HOLDINGS INC. and 4612094 MANITOBA INC.

BETWEEN:

BOYD GROUP INCOME FUND and BOYD GROUP HOLDINGS INC.,

Applicants,

- and -

THE HOLDERS OF UNITS OF BOYD GROUP INCOME FUND AND SHARES OF BOYD GROUP HOLDINGS INC.,

Respondents.

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NOTICE OF APPLICATION

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Thompson Dorfman Sweatman LLP  
Barristers and Solicitors  
1700 - 242 Hargrave Street  
Winnipeg MB R3C 0V1  
(Matter No. 0165926 GJT)  
(Ross A. McFadyen: 204-934-2378)  
(Facsimile: 204-934-0538)  
(Toll Free: 1-855-483-7529)  
(Email: [ram@tdslaw.com](mailto:ram@tdslaw.com))

THE QUEEN'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF:           Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended

AND IN THE MATTER OF:    A Proposed Arrangement involving BOYD GROUP SERVICES INC., BOYD GROUP INCOME FUND, THE BOYD GROUP INC., BOYD GROUP HOLDINGS INC. and 4612094 MANITOBA INC.

BETWEEN:

BOYD GROUP INCOME FUND and BOYD GROUP HOLDINGS INC.,

Applicants,

- and -

THE HOLDERS OF UNITS OF BOYD GROUP INCOME FUND AND SHARES OF BOYD GROUP HOLDINGS INC.,

Respondents.

NOTICE OF APPLICATION

TO THE RESPONDENTS

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant.

The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for an initial hearing before a judge, on Tuesday, October 1, 2019, at 9:30 a.m., at the Winnipeg Law Courts Building, 408 York Avenue in Winnipeg, Manitoba.

IF YOU WISH TO OPPOSE THIS APPLICATION, you or a Manitoba lawyer acting for you must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2:00 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

September 24, 2019

Issued by C. Laniuk Deputy Registrar  
Registrar

Court of Queen's Bench - Winnipeg  
Centre  
408 York Avenue  
Winnipeg MB R3C 0P9

TO: HOLDERS OF UNITS OF BOYD GROUP INCOME FUND

- AND TO: HOLDERS OF SHARES OF BOYD GROUP HOLDINGS INC.
- AND TO: DELOITTE LLP, THE AUDITORS OF BOYD GROUP INCOME FUND AND BOYD GROUP HOLDINGS INC.
- AND TO: ALL DIRECTORS AND TRUSTEES (as the case may be) OF BOYD GROUP INCOME FUND, BOYD GROUP HOLDINGS INC., BOYD GROUP SERVICES INC., THE BOYD GROUP INC and 4612094 MANITOBA INC.
- AND TO: THE DIRECTOR APPOINTED UNDER THE *CANADA BUSINESS CORPORATIONS ACT*

APPLICATION

1. The Applicants make application for:
  - (a) an Interim Order for advice and directions of this Honourable Court pursuant to subsection 192(4) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "CBCA"), with respect to the notice and the conduct of (i) a meeting (the "Meeting") of the holders of units (the "Fund Units") of Boyd Group Income Fund (the "Fund"), (ii) a meeting (the "BGHI Meeting", and together with the Meeting, the "Meetings") of the holders of shares (the "BGHI Shareholders") of Boyd Group Holdings Inc. ("BGHI"), and (iii) such other matters pertaining to a proposed arrangement (the "Arrangement") under a plan of arrangement (the "Plan of Arrangement") whereby the Fund will be converted (the "Conversion")

from an income trust into a corporation governed by the CBCA, as described in more detail below;

- (b) an Order that this matter be heard on short leave, if necessary;
- (c) an Order that service on the Director appointed pursuant to the CBCA is sufficient service with respect to the relief sought in subparagraphs (a) and (b);
- (d) an Order adjourning the balance of this Application to a date to be fixed;
- (e) a Final Order approving the Arrangement pursuant to subsection 192(4) of the CBCA, substantially in the form attached as Appendix "D" to the management information circular (the "Information Circular") to be delivered to the holders of Fund Units (the "Unitholders") and the BGHI Shareholders attached as Exhibit "1" to the Affidavit of Brock Bulbuck, sworn September 19, 2019, if it is adopted and approved by the Unitholders and the BGHI Shareholders at the Meetings; and
- (f) such further and other relief as counsel for the Applicants may request and this Honourable Court may deem just.

2. The grounds for the application are:

- (a) Boyd Group Services Inc. ("New Boyd") is a corporation incorporated pursuant to the CBCA with its registered office being located in the City of Winnipeg, in the Province of Manitoba. New Boyd has been incorporated to facilitate the Conversion;
- (b) The Fund is an unincorporated, open-ended mutual fund trust established by a Declaration of Trust that is governed by the laws of the Province of Manitoba;
- (c) BGHI and The Boyd Group Inc. ("BGI") are corporations continued pursuant to the CBCA, with their registered offices being located in the City of Winnipeg, in the Province of Manitoba;
- (d) The Fund does not carry on any active business, but through its direct ownership of BGI, the Fund owns one of the largest operators of non-franchised collision repair centres in North America in terms of number of locations and sales. BGI currently operates locations in five Canadian provinces under the trade names Boyd Autobody & Glass and Assured Automotive, as well as in 27 states in the United States under the trade name Gerber Collision & Glass. The Fund, through BGI and its subsidiaries, is also a major retail auto glass operator in the United States with locations across 34 states under the trade names Gerber Collision & Glass, Glass America, Auto Glass Services,



Auto Glass Authority and Autoglassonly.com. The Fund, through BGI and its subsidiaries, also operates Gerber National Claims Services, which offers glass, emergency roadside and first notice loss services with approximately 5,500 affiliated glass provider locations and approximately 4,600 affiliated emergency roadside services providers throughout the United States;

- (e) The Fund Units are listed and publicly trade on the Toronto Stock Exchange (the "TSX"). The Fund's transfer agent is also located in the City of Toronto, in the Province of Ontario;
- (f) Pursuant to the Plan of Arrangement, it is proposed that the Fund be converted into New Boyd by way of the following steps:
  - (i) The Fund Declaration of Trust will be amended if and to the extent necessary to facilitate the Arrangement as provided therein;
  - (ii) BGHI's Articles of Incorporation will be amended to amend the conditions, rights and attributes of the BGHI Class B Common shares as shown on Appendix "A" to the Plan of Arrangement and to create an unlimited number of BGHI Class C Common shares;

- (iii) BGI will exchange each of its BGHI Class A Common shares for BGHI Class C Common shares on the basis of one BGHI Class A Common share for one BGHI Class C Common share, with each BGHI Class C Common share having a value equal to the Fair Market Value (as defined in the Plan of Arrangement) of each BGHI Class A Common share so exchanged. Each BGHI Class A Common share so exchanged will be cancelled;
- (iv) each Fund Unitholder will exchange each of its Fund Units for a New Boyd Common Share on the basis of one Fund Unit for one New Boyd Common Share;
- (v) each BGHI Class A Common Shareholder of record on the date which is 21 calendar days prior to the Effective Date (other than BGI) who has not exercised Dissent Rights prior to such record date shall exchange each of its BGHI Class A Common shares for a New Boyd Common Share on the basis of one BGHI Class A Common share for one New Boyd Common Share, and any retraction of BGHI Class A Common shares after such record date shall be disregarded;

- (vi) 4612094 Manitoba Inc. will transfer and sell all of its 30,000,000 BGHI Voting shares to New Boyd for their fair market value which is equal to the stated capital of each BGHI Voting share, being \$0.00001 per share and an aggregate amount of \$300.00;
- (vii) the 10 New Boyd Common Shares issued to the Fund in connection with the organization of New Boyd shall be purchased for cancellation by New Boyd for a consideration of \$1.00 per share, an aggregate of \$10.00;
- (viii) BGI's Articles of Incorporation will be amended to create an unlimited number of BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares;
- (ix) the Fund will exchange each of its BGI Class I shares for BGI Class A Preferred Shares on the basis of one BGI Class I share for one BGI Class A Preferred Share with a redemption value being equal to the Fair Market Value (as defined in the Plan of Arrangement) of a BGI Class I share so exchanged. Each BGI Class I share so exchanged shall be cancelled;

- (x) the Fund will exchange each of its BGI Class IV shares for BGI Class B Preferred Shares on the basis of one BGI Class IV share for one BGI Class B Preferred Share with a redemption value being equal to the Fair Market Value (as defined in the Plan of Arrangement) of a BGI Class IV share so exchanged. Each BGI Class IV share so exchanged shall be cancelled;
- (xi) BGHI will exchange each of its BGI Class II shares for BGI Common Shares on the basis of one BGI Class II share for one BGI Common Share, each BGI Common Share having a value equal to the Fair Market Value (as defined in the Plan of Arrangement) of a BGI Class II share so exchanged;
- (xii) the New Boyd Common Shares will be listed for trading on the TSX in substitution for the Fund Units;
- (xiii) there shall be added to the stated capital account maintained for the New Boyd Common Shares an amount determined by the New Boyd board of directors in accordance with section 26 of the CBCA in respect of the New Boyd Common Shares issued pursuant to the Arrangement and such directors shall be authorized to subsequently reduce the stated capital of New

Boyd in an amount determined by such directors without any payment;

(xiv) there shall be added to the stated capital account maintained for the BGHI Class C Common shares an amount determined by the BGHI board of directors in accordance with section 26 of the CBCA in respect of the BGHI Class C Common issued pursuant to the Arrangement and such directors shall be authorized to subsequently reduce the stated capital of BGHI in an amount determined by such directors without any payment; and

(xv) there shall be added to the stated capital accounts maintained for each of the BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares an amount determined by the BGHI board of directors in accordance with section 26 of the CBCA in respect of each of the BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares issued pursuant to the Arrangement and such directors shall be authorized to subsequently reduce the stated capital of New Boyd in an amount determined by such directors without any payment;

- (g) As a consequence of the proposed Arrangement, the former Fund Unitholders and BGHI Class A Common Shareholders will be the sole holders of New Boyd Common Shares, and New Boyd will own, directly or indirectly, all of the issued and outstanding Fund Units and all of the BGHI Class A Common Shares;
- (h) The directions set out, and the Unitholder and BGHI Shareholder approvals required, pursuant to any Interim Order this Honourable Court may grant, have been or will be followed and obtained, by the final return date of this Application;
- (i) The proposed Arrangement is an “arrangement” as defined under subsection 192(1) of the CBCA;
- (j) The Fund and BGHI are not insolvent within the meaning of s. 192(2) of the CBCA;
- (k) It is not practicable for the Fund and BGHI to effect a fundamental change in the nature of the Arrangement under any other provision of the CBCA;
- (l) All statutory requirements under the CBCA have been fulfilled, or will be have been fulfilled, by the final return date of this Application, for the granting of approval of the proposed Arrangement;

- (m) The Arrangement is in the best interests of all affected parties and security holders;
- (n) The Arrangement is procedurally and substantively fair and reasonable to all affected parties and security holders;
- (o) The Arrangement and this application are put forward in good faith and for a valid business purpose;
- (p) If made, the Final Order approving, among other things, the fairness of the terms and conditions of the Arrangement will constitute the basis for an exemption from the *United States Securities Act of 1933*, as amended, provided by Section 3(a)(10) thereof, for the issuance by New Boyd of New Boyd Common Shares to Fund Unitholders and the BGHI Class A Common Shareholders in exchange for Fund Unite and BGHI Class A Common Shares, respectively;
- (q) Certain of the Unitholders and BGHI Shareholders and other interested persons are resident outside of Manitoba and will be served with notice of this application at their respective registered addresses as they appear on the books and records of the Fund and BGHI, respectively, at the close of business on October 14, 2019, pursuant to subsection 192(4) of the CBCA, Rule 17.02(k) of the *Queen's Bench*

*Rules, M.R. 553/88, as amended (the "QB Rules"), and/or pursuant to the terms of the Interim Order requested by the Court;*

- (r) Section 192 of the CBCA;
- (s) Rules 3.02, 14.05(1) and (2), 16.04, 16.08 and 38 of the Queen's Bench Rules; and
- (t) Such further and other grounds as counsel for the Applicants may advise and as this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- (a) This Notice of Application;
- (b) Such Interim Order as may be granted by this Honourable Court;
- (c) The Affidavit of Brock Bulbuck, Chief Executive Officer and administrator of the Fund, and the Chief Executive Officer of BGHI and BGI;
- (d) A further affidavit to be filed after the Meetings reporting on compliance with the Interim Order and the results of the Meetings conducted pursuant to the Interim Order; and



- (e) Such further and other documentary evidence as may be necessary for this application and as this Honourable Court may permit.

September 24, 2019

Thompson Dorfman Sweatman LLP  
1700 - 242 Hargrave Street  
Winnipeg MB R3C 0V1  
Ross A. McFadyen  
Telephone: 204-934-2378  
Facsimile: 204-934-0538  
E-mail: [ram@tdslaw.com](mailto:ram@tdslaw.com)  
Lawyers for the Applicants

**APPENDIX “D” - ARRANGEMENT AGREEMENT**

**ARRANGEMENT AGREEMENT**

THIS ARRANGEMENT AGREEMENT made as of the 19th day of September,  
2019.

AMONG:

**BOYD GROUP INCOME FUND**  
an unincorporated open-ended trust  
established under the laws of Manitoba  
(herein called the “Fund”)

OF THE FIRST PART

- and -

**THE BOYD GROUP INC.**  
a corporation continued under the  
*Canada Business Corporations Act*  
(herein called “BGI”)

OF THE SECOND PART

- and –

**BOYD GROUP HOLDINGS INC.**  
a corporation continued under the  
*Canada Business Corporations Act*  
(herein called “BGHI”)

OF THE THIRD PART

- and -

**BOYD GROUP SERVICES INC.**  
a corporation incorporated under the  
*Canada Business Corporations Act*  
(herein called “New Boyd”)

OF THE FOURTH PART

- and -

**4612094 MANITOBA INC.**  
a corporation incorporated under  
*The Corporations Act* of Manitoba  
(herein called “4612094”)

OF THE FIFTH PART

WHEREAS the Parties hereto wish to propose an Arrangement (as hereinafter defined) with the Fund, BGI, New Boyd and 4612094 and with Fund Unitholders and BGHI Shareholders (as those terms are herein defined) in order to carry out certain transactions on the basis set forth in this Agreement;

AND WHEREAS the Parties intend to carry out the Arrangement pursuant to an application made by the Parties to complete a statutory plan of arrangement under Section 192 of the CBCA (as hereinafter defined) upon and subject to the terms and conditions set forth in this Agreement;

AND WHEREAS the respective Boards of Directors of BGHI, New Boyd, BGI and 4612094 and the Trustees of the Fund have approved the entering into of this Agreement and completion of the Arrangement and other transactions contemplated by this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the premises and the covenants and agreements herein contained and other good and valuable consideration, now paid and the receipt and sufficiency of which are hereby acknowledged by each Party to the others, the Parties covenant and agree as follows:

## **Article 1 INTERPRETATION**

### 1.1 Definitions

In this Agreement (excluding the Exhibits hereto) the following terms have the following meanings respectively:

- (a) “**4612094**” means 4612094 Manitoba Inc., a corporation incorporated and existing under *The Corporations Act* (Manitoba);
- (b) “**Arrangement**”, “**herein**”, “**hereof**”, “**hereto**”, “**hereunder**” and similar expressions mean and refer to the arrangement pursuant to Section 192 of the CBCA set forth in the Plan of Arrangement as amended, modified or supplemented, and not to any particular article, section or other portion hereof;
- (c) “**Arrangement Agreement**” means this agreement dated as of September 19, 2019, among New Boyd, the Fund, BGHI, 46122094 and BGI with respect to the Arrangement and all amendments thereto;
- (d) “**Articles of Arrangement**” means the articles of arrangement in respect of the Arrangement required under Subsection 192(6) of the CBCA to be filed with the Director after the Final Order has been granted;

- (e) “**BGHI**” means Boyd Group Holdings Inc., a corporation continued and existing under the CBCA;
- (f) “**BGHI Arrangement Resolution**” means the special resolution of BGHI Shareholders presented at the BGHI Meeting;
- (g) “**BGHI Class A Common Shareholders**” means the holders of BGHI Class A Common shares, from time to time;
- (h) “**BGHI Class A Common shares**” means the authorized Class A Common shares of BGHI;
- (i) “**BGHI Class B Common shares**” means the authorized Class B Common shares of BGHI;
- (j) “**BGHI Information Circular**” means the management information circular of BGHI, including all appendices thereto, to be distributed to BGHI Shareholders in respect of the BGHI Meeting;
- (k) “**BGHI Meeting**” means the special meeting of BGHI Shareholders to be held on December 2, 2019 and any adjournments or postponements thereof, to consider and vote on, among other things, the BGHI Arrangement Resolution and related matters;
- (l) “**BGHI Shareholders**” means the holders of BGHI Class A Common shares, BGHI Class B Common shares and BGHI Voting shares, from time to time;
- (m) “**BGHI Voting shares**” means the authorized voting shares of BGHI;
- (n) “**BGI**” means The Boyd Group Inc., a corporation continued and existing under the CBCA;
- (o) “**CBCA**” means the *Canada Business Corporations Act*, R.S.C., 1985, c.C-44, as amended, including the regulations promulgated thereunder;
- (p) “**Certificate**” means the certificate issued by the Director pursuant to Subsection 192(7) of the CBA giving effect to the Arrangement;
- (q) “**Circular**” means the Notice of Meeting and Information Circular for a special meeting of the Unitholders of the Fund in connection with the Arrangement;

- (r) “**Court**” means the Manitoba Court of Queen’s Bench;
- (s) “**Director**” means the director appointed under Section 260 of the CBCA;
- (t) “**Dissent Rights**” means the rights of BGHI Shareholders to dissent in respect of the Arrangement pursuant to the procedures set forth on Appendix C of the Plan of Arrangement;
- (u) “**Effective Date**” means the date the Arrangement is effective under the CBCA;
- (v) “**Effective Time**” means 7:00 a.m. (Winnipeg time) on the Effective Date, or such other time on the Effective Date as may be specified in writing by New Boyd;
- (w) “**Exchange Agreement**” means an agreement dated February 25, 2003 among BGHI and the Fund pursuant to which the Fund agreed to issue certain Fund Units in exchange for Class B Common shares of BGHI;
- (x) “**Final Order**” means the final order of the Court approving the Arrangement pursuant to Subsection 192(4) of the CBCA, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction;
- (y) “**Fund**” means Boyd Group Income Fund, a trust established under the laws of the Province of Manitoba;
- (z) “**Fund Arrangement Resolution**” means the special resolution of Fund Unitholders presented at the Fund Meeting;
- (aa) “**Fund Declaration of Trust**” means the amended and restated declaration of trust of the Fund dated as of February 25, 2003, as amended on August 21, 2003, as further amended on May 15, 2018, and as further amended on March 20, 2019, governing the Fund, as further amended, supplemented or restated from time to time;
- (bb) “**Fund LTIP**” means the long term incentive plan for officers of the Fund and officers and employees of BGI and its Affiliates, to be cancelled prior to the Effective Date;
- (cc) “**Fund Meeting**” means the special meeting of the Fund Unitholders to be held on December 2, 2019, and any adjournments or postponements thereof,

to consider and vote on, among other things, the Fund Arrangement Resolution and related matters;

- (dd) **“Fund Unitholders”** means the holders of Fund Units from time to time;
- (ee) **“Fund Units”** means the issued and outstanding units of beneficial interest of the Fund designated as “Trust Units” under the Fund Declaration of Trust;
- (ff) **“Interim Order”** means the interim order of the Court under Subsection 192(4) of the CBCA containing declarations and directions with respect to the Arrangement, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction, with the consent of BGHI, BGI and the Fund;
- (gg) **“New Boyd”** means Boyd Group Services Inc., a corporation incorporated and existing under the CBCA;
- (hh) **“New Boyd LTIP”** means the long term incentive plan for officers and employees of New Boyd and its Affiliates to become effective at the Effective Time;
- (ii) **“Party”** means a party to this Arrangement Agreement;
- (jj) **“Person”** means and includes individuals, corporations, partnership, general partnerships, joint stock companies, limited liability corporations, joint ventures, associates, companies, trusts, banks, trust companies, pension funds, business trusts or other organizations, whether or not legal entities, and governments, agencies and political subdivisions thereof;
- (kk) **“Plan of Arrangement”** means the Plan of Arrangement attached hereto as Exhibit “A”, as may be amended or supplemented as provided therein;
- (ll) **“Subsidiary”** has the meaning given to that term in the CBCA and **“Subsidiaries”** refers to more than one Subsidiary;
- (mm) **“TSX”** means the Toronto Stock Exchange.

## 1.2 Construction

In this Agreement, unless otherwise expressly stated or the context otherwise requires:

- (a) references to "herein", "hereby", "hereunder", "hereof" and similar expressions are references to this Agreement and not to any particular article, section, subsection, paragraph, subparagraph, Exhibit or Appendix;
- (b) references to an "Article", "section", "subsection", "paragraph", "subparagraph", "Exhibit" or "Appendix" are references to an Article, section, subsection, paragraph, subparagraph, Exhibit or Appendix of or to this Agreement;
- (c) words importing the singular shall include the plural and *vice versa*, words importing gender shall include the masculine, feminine and neuter genders, and references to a "person" or "persons" shall include individuals, corporations, cooperatives, partnerships, associations, bodies politic and other entities, all as may be applicable in the context;
- (d) the use of headings is for convenience of reference only and shall not affect the construction or interpretation hereof;
- (e) the word "including", when following any general term or statement, is not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement; and
- (f) a reference to a statute or code includes every regulation made pursuant thereto, all amendments to the statute or code or to any such regulation in force from time to time, and any statute, code or regulation which supplements or supersedes such statute, code or regulation.

### 1.3 Entire Agreement

This Agreement, together with the exhibit attached hereto, constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof.

### 1.4 Exhibit

The following Exhibit is attached to this Agreement and forms part hereof:

Exhibit A - Plan of Arrangement

**Article 2**  
**THE TRANSACTION**

2.1 Interim Order

As soon as reasonably practicable, the Fund, BGHI, BGI, New Boyd and 4612094 shall apply to the Court pursuant to Section 192 of the CBCA for an Interim Order approving the Arrangement and, in connection with such application shall, among other things:

- (a) forthwith file, proceed with and prosecute an application for an Interim Order under Section 192(4) of the CBCA providing for, among other things, the method of approval of the Arrangement, including the calling and holding of the Fund Meeting and the BGHI Meeting for the purpose of considering and, if thought advisable, approving the Fund Arrangement Resolution and the BGHI Arrangement Resolution, respectively; and
- (b) subject to obtaining all necessary approvals as contemplated in the Interim Order and as may be directed by the Court in the Interim Order, take steps necessary to submit the Arrangement to the Court and apply for the Final Order.

Subject to satisfaction or waiver of the conditions set forth herein, New Boyd shall deliver to the Director Articles of Arrangement and such other documents as may be required to give effect to the Arrangement, and the transactions comprising the Arrangement shall occur and shall be deemed to have occurred when and in the order set out therein without any further act or formality.

2.2 Effective Date

The Arrangement shall become effective at the Effective Time on the Effective Date.

**Article 3**  
**REPRESENTATIONS AND WARRANTIES**

3.1 Representations and Warranties of BGHI

BGHI represents and warrants to and in favour of the other Parties hereto as follows, and acknowledges that each of the other Parties are relying upon such representations and warranties:

- (a) BGHI is a corporation duly continued and validly existing under the CBCA and has the corporate power and capacity to own or lease its property and assets, to carry on its business as now conducted by it, to enter into this Agreement, and to perform its obligations hereunder and is registered to



carry on business in the jurisdictions in which it is necessary or desirable to be registered;

- (b) the authorized capital of BGHI consists of 2,037,432 initially authorized Class A Common shares, 2,037,432 initially authorized Class B Common shares and an unlimited number of Voting Shares, of which 211,661 Class A Common shares, 1,851,202 Class B Common shares and 100,000,000 Voting Shares are issued and outstanding as of the date hereof and all of such issued and outstanding BGHI Shares are fully paid and non-assessable;
- (c) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto and the completion of the transactions contemplated hereby:
  - (i) do not and will not result in the breach of, or violate any term or provision of, the articles or by-laws of BGHI;
  - (ii) do not, and will not as of the Effective Time, conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which BGHI is a party or by which it is bound and which is material to BGHI or to which any material property of BGHI is subject, or result in the creation of any encumbrance upon any of the assets of BGHI under any such agreement, instrument, license, permit or authority, or give to any person any interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, license, permit or authority and any of which would have a material adverse effect on BGHI; and
  - (iii) do not, and will not as of the Effective Time, violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable and known to BGHI, the breach of which would have a material adverse effect on BGHI;
- (d) except as disclosed in the BGHI Information Circular, there are no actions, suits, proceedings, claims or investigations commenced or, to the knowledge of BGHI, contemplated or threatened against or affecting BGHI in law or in equity before or by any domestic or foreign government department, commission, board, bureau, court, agency, arbitrator, or instrumentality of any kind, nor, to the knowledge of BGHI, are there any facts which may reasonably be expected to be a proper basis for any actions, suits, proceedings or investigations (other than in connection with the exercise of the Dissent Rights) which taken as a whole would prevent or hinder the completion of the transactions contemplated by this Agreement or which can reasonably be expected to have a material adverse effect on

the business, operations, properties, assets or affairs, financial or otherwise, of BGHI;

- (e) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly approved by the board of directors of BGHI and this Agreement constitutes a valid and binding obligation of BGHI enforceable against it in accordance with its terms;
- (f) BGHI is under no obligation, contractual or otherwise, to issue any BGHI Shares or other securities, except as disclosed or required pursuant to this Agreement and as disclosed in the Exchange Agreement;
- (g) BGHI is a distributing corporation as that term is described in the CBCA and, to the best of its knowledge, is not in default of any requirement of securities and corporate laws, regulations, rules, orders, notices and policies in those jurisdictions;
- (h) as of the dates as of which the information is given, such information set forth in the BGHI Information Circular regarding BGHI is true and complete in all material respects and does not contain any misrepresentation as defined in applicable securities legislation and there shall have been no material adverse changes to such information to the date hereof.

### 3.2 Representations and Warranties of BGI

BGI represents and warrants to and in favour of the other Parties hereto as follows, and acknowledges that each of the other Parties is relying upon such representations and warranties:

- (a) BGI is duly continued and validly existing under the CBCA and has the corporate power and capacity to own or lease its property and assets, to carry on its business as now conducted by it, to enter into this Agreement, and to perform its obligations hereunder;
- (b) the authorized capital of BGI consists of an unlimited number of Class I, Class II, Class III and Class IV shares, of which 19,873,400 Class I shares, 2,062,863 Class II shares, no Class III shares and 162,230 Class IV shares are issued and outstanding as fully paid and non-assessable;
- (c) BGI is the registered and beneficial owner of 25,431 BGHI Class A Common shares and 1,851,202 BGHI Class B Common shares;

- (d) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto and the completion of the transactions contemplated hereby:
  - (i) do not and will not result in the breach of, or violate any term or provision of, the articles or by-laws of BGI;
  - (ii) do not, and will not as of the Effective Time, conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which BGI is a party or by which it is bound and which is material to BGI or to which any material property of BGI is subject, or result in the creation of any encumbrance upon any of the assets of BGI under any such agreement, instrument, license, permit or authority, or give to any person any interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, license, permit or authority, and any of which would have a material adverse effect on BGI; and
  - (iii) do not, and will not as of the Effective Time, violate any provision of law or administrative regulation or any judicial or administrative order, award, judgement or decree applicable and known to BGI, the breach of which would have a material adverse effect on BGI;
- (e) there are no actions, suits, proceedings, claims or investigations commenced or, to the knowledge of BGI, contemplated or threatened against or affecting BGI in law or in equity before or by any domestic or foreign government department, commission, board, bureau, court, agency, arbitrator, or instrumentality of any kind, nor, to the knowledge of BGI, are there any facts which may reasonably be expected to be a proper basis for any actions, suits, proceedings or investigations which, taken as a whole, would prevent or hinder the completion of the transactions contemplated by this Agreement or which can reasonably be expected to have a material adverse effect on the business, operations, properties, assets or affairs, financial or otherwise, of BGI;
- (f) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly approved by the board of directors of BGI and this Agreement constitutes a valid and binding obligation of BGI enforceable against it in accordance with its terms; and
- (g) BGI is under no obligation, contractual or otherwise, to issue any of its shares or other securities, except as required pursuant to this Agreement.

### 3.3 Representations and Warranties of New Boyd

New Boyd represents and warrants to and in favour of each of the other Parties hereto as follows, and acknowledges that each of the other Parties is relying upon such representations and warranties:

- (a) New Boyd is duly incorporated and validly existing under the CBCA and has the corporate power and capacity to own or lease its property and assets, to carry on its business as now conducted by it, to enter into this Agreement, and to perform its obligations hereunder;
- (b) the authorized capital of New Boyd consists of an unlimited number of Common Shares of which 10 Common Shares are issued and outstanding to the Fund as fully paid and non-assessable;
- (c) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto and the completion of the transactions contemplated hereby:
  - (i) do not and will not result in the breach of, or violate any term or provision of, the articles or by-laws of New Boyd;
  - (ii) do not, and will not as of the Effective Time, conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which New Boyd is a party or by which it is bound and which is material to New Boyd or to which any material property of New Boyd is subject, or result in the creation of any encumbrance upon any of the assets of New Boyd under any such agreement, instrument, license, permit or authority, or give to any person any interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, license, permit or authority and any of which would have a material adverse effect on New Boyd; and
  - (iii) do not, and will not as of the Effective Time, violate any provision of law or administrative regulation or any judicial or administrative order, award, judgement or decree applicable and known to New Boyd, the breach of which would have a material adverse effect on New Boyd;
- (d) there are no actions, suits, proceedings, claims or investigations commenced or, to the knowledge of New Boyd, contemplated or threatened against or affecting New Boyd in law or in equity before or by any domestic or foreign government department, commission, board, bureau, court, agency, arbitrator, or instrumentality of any kind, nor, to the knowledge of New

Boyd, are there any facts which may reasonably be expected to be a proper basis for any actions, suits, proceedings or investigations which, taken as a whole, would prevent or hinder the completion of the transactions contemplated by this Agreement or which can reasonably be expected to have a material adverse effect on the business, operations, properties, assets or affairs, financial or otherwise, of New Boyd;

- (e) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly approved by the board of directors of New Boyd and this Agreement constitutes a valid and binding obligation of New Boyd enforceable in accordance with its terms;
- (f) New Boyd is under no obligation, contractual or otherwise, to issue any of its other securities, except as required pursuant to this Agreement.

### 3.4 Representations and Warranties of 4612094

4612094 represents and warrants to and in favour of the other Parties hereto as follows, and acknowledges that the other Parties are relying upon such representations and warranties:

- (a) 4612094 is duly incorporated and validly existing under the laws of Manitoba and has the corporate power and capacity to own or lease its property and assets, to carry on its business as now conducted by it, to enter into this Agreement, and to perform its obligations hereunder;
- (b) the authorized capital of 4612094 consists of an unlimited number of Class A Common shares, Class B Common shares, Class C Common shares, Class A Preference shares, Class B Preference shares, Class C Preference shares, Class D Preference shares and Class F Preference shares of which 100 Class A Common shares, 100,000 Class A Preference shares, 1,000,000 Class B Preference shares, 400 Class C Preference shares, 389,122 Class D Preference shares, 10 Class E Preference shares and 10 Class F Preference shares are issued and outstanding;
- (c) 4612094 is the registered and beneficial owner of 107,329 BGHI Class A Common shares and 30,000,000 BGHI Voting Shares, free of all liens, charges and encumbrances;
- (d) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto and the completion of the transactions contemplated hereby:

- (i) do not and will not result in the breach of, or violate any term or provision of, the articles or by-laws of 4612094;
- (ii) do not, and will not as of the Effective Time, conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which 4612094 is a party or by which it is bound and which is material to 4612094 or to which any material property of 4612094 is subject, or result in the creation of any encumbrance upon any of the assets of 4612094 under any such agreement, instrument, license, permit or authority, or give to any person any interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, license, permit or authority and any of which would have a material adverse effect on 4612094; and
- (iii) do not, and will not as of the Effective Time, violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable and known to 4612094, the breach of which would have a material adverse effect on 4612094;
- (e) there are no actions, suits, proceedings, claims or investigations commenced or, to the knowledge of 4612094, contemplated or threatened against or affecting 4612094 in law or in equity before or by any domestic or foreign government department, commission, board, bureau, court, agency, arbitrator, or instrumentality of any kind, nor, to the knowledge of 4612094, are there any facts which may reasonably be expected to be a proper basis for any actions, suits, proceedings or investigations which in any case would prevent or hinder the completion of the transactions contemplated by this Agreement or which can reasonably be expected to have a material adverse effect on the business, operations, properties, assets or affairs, financial or otherwise, of 4612094;
- (f) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly approved by the board of directors of 4612094 and by the holders of a majority of the votes cast at a meeting of the shareholders of 4612094 entitled to vote at such meeting or by a resolution signed by all of the shareholders of 4612094, and this Agreement constitutes a valid and binding obligation of 4612094 enforceable against it in accordance with its terms; and
- (g) 4612094 is under no obligation, contractual or otherwise, to issue any of its shares or other securities.

### 3.5 Representations and Warranties of the Fund

The Fund represents and warrants to and in favour of each of the other Parties hereto as follows, and acknowledges that each of the other Parties is relying upon such representations and warranties:

- (a) the Fund is a trust duly settled and validly existing under the laws of Manitoba and its trustees have the power and capacity to enter into this Agreement, and to perform the obligations of the Fund hereunder;
- (b) the Fund presently has 19,873,400 Fund Units issued and outstanding;
- (c) the Fund is a reporting issuer in each province of Canada, other than Québec, and, to the best of its knowledge, is not in default of any requirements of securities and corporate laws, regulations, orders, notices and policies in those jurisdictions;
- (d) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto and the completion of the transactions contemplated hereby:
  - (i) do not and will not result in the breach of, or violate any term or provision of the Fund Declaration of Trust;
  - (ii) do not, and will not as of the Effective Date, conflict with, result in the breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, license, permit or authority to which the Fund is a party or by which it is bound and which is material to the Fund or to which any material property of the Fund is subject, or result in the creation of any encumbrance upon any of the assets of the Fund under any such agreement, instrument, license, permit or authority, or give to any Person any interest or right, including rights of purchase, termination, cancellation or acceleration, under any such agreement, instrument, license, permit or authority and any of which would have a material adverse effect on the Fund or its assets; and
  - (iii) do not, and will not as of the Effective Date, violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable and known to the Fund, the breach of which would have a material adverse effect on the Fund;
- (e) there are no actions, suits, proceedings, claims or investigations commenced or, to the knowledge of the Fund, contemplated or threatened against or affecting the Fund in law or in equity before or by any domestic or foreign

government department, commission, board, bureau, court, agency, arbitrator, or instrumentality of any kind, nor, to the knowledge of the Fund, are there any facts which may reasonably be expected to be a proper basis for any actions, suits, proceedings or investigations which, taken as a whole, would prevent or hinder the completion of the transactions contemplated by this Agreement or which can reasonably be expected to have a material adverse effect on the operations, properties, assets or affairs, financial or otherwise, of the Fund;

- (f) the Fund owns all of the issued and outstanding New Boyd Common Shares;
- (g) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly approved by the Board of Trustees of the Fund and this Agreement constitutes a valid and binding obligation of the Fund enforceable in accordance with its terms; and
- (h) except as contemplated by this Agreement, and except for the issue of Fund Units to Brock Bulbuck and Tim O'Day pursuant to their exercise of each of their options to acquire Fund Units granted in 2010 and except as provided in the Exchange Agreement, the Fund is under no obligation, contractual or otherwise, to issue any Fund Units or other securities.

### 3.6 Survival and Merger of Representations and Warranties

The representations and warranties of the Parties contained in this Article 3 will survive the execution and delivery of this Agreement and will terminate on the earlier of the Effective Date and the termination of this Agreement, and thereafter no Party shall have any liability or further obligations to any Party hereunder.

## **Article 4** **CONDITIONS PRECEDENT**

### 4.1 Mutual Conditions Precedent

The respective obligations of BGHI, BGI, New Boyd, 4612094 and the Fund to complete the transactions contemplated by this Agreement shall be subject to the fulfillment or satisfaction, on or before the Effective Date, of each of the following conditions, any of which may be waived collectively by them without prejudice to their right to rely on any other condition:

- (a) the Interim Order shall have been granted in form and substance satisfactory to the Parties, acting reasonably, not later than October 31, 2019, or such later date as the Parties hereto may agree and shall not have been set aside



or modified in a manner unacceptable to such Parties on appeal or otherwise;

- (b) the Fund Arrangement Resolution shall have been approved at the Fund Meeting by the requisite number of votes cast by Fund Unitholders, in accordance with the Interim Order and any applicable regulatory requirements;
- (c) the BGHI Arrangement Resolution shall have been approved by the requisite number of votes cast by BGHI Shareholders at the BGHI Meeting in accordance with the provisions of the Interim Order and any applicable regulatory requirements;
- (d) the Arrangement shall have been approved by the holders of at least 66 $\frac{2}{3}$ % of the votes cast at a meeting(s) of the shareholders of BGI entitled to vote at such meeting or by a resolution in writing signed by all the shareholders of BGI;
- (e) the Final Order shall have been obtained in form and substance satisfactory to each of BGHI, BGI and the Fund, acting reasonably, not later than December 31, 2019, or such later date as such Parties may agree;
- (f) the Articles of Arrangement and all necessary related documents filed with the Director in accordance with the Arrangement shall be in form and substance satisfactory to each of BGHI, BGI and the Fund, acting reasonably and shall have been accepted for filing by the Director together with the Final Order in accordance with subsection 192(6) of the CBCA;
- (g) no material action or proceeding shall be pending or threatened by any Person, company, firm, governmental authority, regulatory body or agency and there shall be no action taken under any existing applicable law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any court, department, commission, board, regulatory body, government or governmental authority or similar agency, domestic or foreign, that: (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Arrangement or any other transactions contemplated herein; or (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated herein;
- (h) all material regulatory consents, exemptions, decisions and approvals considered necessary or desirable by BGHI, BGI and the Fund with respect to the transactions contemplated under the Arrangement shall have been completed or obtained including, without limitation, consents, exemptions,

decisions and approvals from applicable securities regulatory authorities and under the rules or policies of the TSX;

- (i) all third party consents and approvals with respect to the transactions contemplated hereby considered necessary or desirable by BGHI, BGI and the Fund shall have been completed or obtained;
- (j) the TSX shall have conditionally approved the listing or the substitutional listing of the Common Shares to be issued pursuant to the Arrangement, subject only to the filing of required documents which cannot be filed prior to the Effective Date, if any; and
- (k) awards under the Fund LTIP which are not vested on or prior to December 31, 2019 shall have been terminated effective prior to the Effective Time and the New Boyd LTIP shall be approved by the New Boyd board of directors at or prior to the Effective Time;

#### 4.2 Additional Conditions to Obligations of BGHI, the Fund and BGI

- (a) In addition to the conditions contained in Section 4.1, the obligation of BGHI, the Fund and BGI to complete the transactions contemplated by this Agreement is subject to the fulfillment or satisfaction, on or before the Effective Date, of each of the following conditions, any of which may be waived by them without prejudice to their right to rely on any other condition:
- (b) each of the covenants, acts and undertakings of New Boyd to be performed or complied with on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed or complied with; and
- (c) the board of trustees of the Fund, and each of the boards of directors of BGHI and BGI, shall not have determined, in its sole and absolute discretion, that to proceed with the Arrangement would not be in the best interests of the Fund, BGHI or BGI, respectively.

#### 4.3 Additional Conditions to Obligations of New Boyd

In addition to the conditions contained in Section 4.1, the obligation of New Boyd to complete the transactions contemplated by this Agreement is subject to the fulfillment or satisfaction, on or before the Effective Date, of the following condition, which may be waived by New Boyd without prejudice to its right to rely on any other condition:

- (a) each of the covenants, acts and undertakings of BGHI, the Fund, BGI and 4612094 to be performed or complied with on or before the Effective Date

pursuant to the terms of this Agreement shall have been duly performed or complied with.

#### 4.4 Notice and Effect of Failure to Comply with Conditions

If any of the conditions precedent set forth in Sections 4.1, 4.2 or 4.3 hereof shall not be satisfied or waived by the Party or Parties for whose benefit such conditions are provided on or before the date required for the satisfaction thereof, then a Party for whose benefit the condition precedent is provided may, in addition to any other remedies they may have at law or equity, rescind and terminate this Agreement; provided that, prior to the filing of the Articles of Arrangement for the purpose of giving effect to the Arrangement, the Party intending to rely thereon has delivered a written notice to the other Party, specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non satisfaction of the applicable conditions precedent and the Party in breach shall have failed to cure such breach within fourteen days of receipt of such written notice thereof (except that no cure period shall be provided for a breach which by its nature cannot be cured). More than one such notice may be delivered by a party to this Agreement.

#### 4.5 Satisfaction of Conditions

The conditions set out in this Article 4 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, Articles of Arrangement and all necessary related documents are filed with the Director and accepted for filing by the Director, together with the Final Order, in accordance with Section 192(6) of the CBCA.

#### 4.6 Termination of Agreements

The Parties agree that, at the Effective Time, the Exchange Agreement shall terminate and be of no further force or effect.

### **Article 5 COVENANTS**

#### 5.1 Mutual Covenants of the Parties

Each of BGHI, BGI, 4612094, New Boyd and the Fund covenants and agrees that it will:

- (a) make application to the Court for the Interim Order and take all reasonable action necessary to give effect to the transactions contemplated by this Agreement;

- (b) use all reasonable efforts to obtain all necessary consents, assignments, waivers and amendments to or terminations of any instruments and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated by this Agreement;
- (c) until the Effective Time, conduct its operations and those of its Subsidiaries, if applicable, in the ordinary and normal course of business and in accordance with applicable laws;
- (d) use all reasonable efforts to cause each of the conditions precedent set forth in Article 4 which are within its control to be satisfied on or before the Effective Date;
- (e) until the Effective Time, not issue any of its additional units, shares or other securities except for the issuance of Fund Units to Brock Bulbuck and Timothy O'Day pursuant to the exercise of each of their options to acquire Fund Units granted in 2010, and the issuance of Fund Units and Class B Common shares pursuant to the Exchange Agreement and the issuance of BGI Class I shares to the Fund in the normal course in connection with the issuance of Fund Units pursuant to the Exchange Agreement;
- (f) until the Effective Time, not issue or enter into, any agreement or agreements to issue or grant options, warrants or rights to purchase any of its units, shares or other securities except for the redemption by BGI of 94,500 Class IV Common shares in its capital stock owned by the Fund;
- (g) until the Effective Time, in all material respects, keep every Party fully informed as to the material business and affairs of it and its Subsidiaries;
- (h) until the Effective Time, not incur, or allow any of its Subsidiaries to incur, any additional material indebtedness or create any encumbrance on any of its properties or assets, or those of any of its Subsidiaries, except as herein disclosed or in the ordinary course of business, subject to the consent of every Party, not to be unreasonably withheld, and not merge into or with, or consolidate with, any other person except a Subsidiary or, except in the ordinary course of business, perform any act or enter into any transaction or negotiation which might interfere or be inconsistent with the consummation of the transactions contemplated by this Agreement;
- (i) until the Effective Time, not declare or pay any dividends or make any distribution of its assets to any of its Subsidiaries other as may be provided herein, except for distributions by the Fund and dividends by BGI in the normal course, or to others or retire or redeem any Shares except any

retraction of BGHI Class A Common shares, without the prior written consent of each other Party, such consent not to be unreasonably withheld;

- (j) until the Effective Time, except as specifically provided for hereunder, not alter or amend its articles of incorporation or articles of amalgamation, as amended, or by-laws or those of its Subsidiaries as the same exist at the date of this Agreement;
- (k) until the Effective Time, not disclose to any person, other than its directors, or in the case of the Fund, its trustees, and professional advisors any confidential information relating to any other Party, except information required to be disclosed by law, or otherwise publicly known;
- (l) subject to the satisfaction of the conditions precedent of Article 4 hereof, submit the Arrangement to the Court and apply for the Final Order and diligently prosecute such application and any appeal of the Final Order; and
- (m) upon issuance of the Final Order and subject to the conditions precedent in Article 4, forthwith proceed to file the Articles of Arrangement, the Final Order and all related documents with the Director.

## 5.2 Covenants of BGHI

In addition to those covenants set out in Section 5.1, BGHI covenants and agrees that it will:

- (a) solicit proxies to be voted at the BGHI Meeting in favour of the BGHI Arrangement Resolution and prepare proxy solicitation materials and any amendments or supplements thereto as required by, and in compliance with, the Interim Order, and applicable corporate and securities laws, and file and distribute the same to the BGHI Shareholders in a timely and expeditious manner in all jurisdictions where the same are required to be filed and distributed;
- (b) convene the BGHI Meeting as ordered by the Interim Order and conduct the Meeting in accordance with the Interim Order and as otherwise required by law;
- (c) advise each of BGI, 4612094, New Boyd and the Fund immediately after the BGHI Meeting of the number of BGHI Shareholders for which Boyd has received, pursuant to the Dissent Rights, written objection to the Fund Arrangement Resolution and provide the foregoing Parties with copies of such written objections;

- (d) vote at the Fund Meeting with respect to the Fund Arrangement Resolution, the votes it is entitled to vote, in the same proportions as votes cast in favour of, or against the BGHI Arrangement Resolution at the BGHI Meeting.

### 5.3 Covenants of the Fund

In addition to those covenants set out in Section 5.1, the Fund covenants and agrees that it will:

- (a) solicit proxies to be voted at the Fund Meeting in favour of the Fund Arrangement Resolution and prepare proxy solicitation materials and any amendments or supplements thereto as required by, and in compliance with, the Interim Order, and applicable corporate and securities laws, and file and distribute the same to the Fund Unitholders in a timely and expeditious manner in all jurisdictions where the same are required to be filed and distributed;
- (b) convene the Fund Meeting as ordered by the Interim Order and conduct the Fund Meeting in accordance with the Interim Order and as otherwise required by law;
- (c) prior to the Effective Date, cooperate with New Boyd in making the application to list the New Boyd Common Shares on the Toronto Stock Exchange on a substitutional listing basis; and
- (d) not exercise any Dissent Rights to which it may be entitled due to its ownership of shares of BGHI.

### 5.4 Covenant of BGI

In addition to those covenants set out in Section 5.1, BGI covenants and agrees that it will not exercise any Dissent Rights to which it may be entitled due to its ownership of BGHI Class A Common shares and BGHI Class B Common shares.

### 5.5 Covenants of New Boyd

In addition to those covenants set out in Section 5.1, New Boyd covenants and agrees that:

- (a) prior to the Effective Date, it will establish a dividend policy consistent with the applicable disclosure in the Circular, subject to the approval of the Fund and BGHI, acting reasonably and
- (b) it will elect to be a public corporation, as that term is defined in subsection 89(1) of the Income Tax Act (Canada), from the time of its incorporation

until such time as its shares are listed on the TSX, in its return of income for its first taxation year following its incorporation..

## **Article 6 AMENDMENT AND TERMINATION**

### 6.1 Amendment

This Agreement may, at any time and from time to time before or after the Fund Meeting and the BGHI Meeting, be amended in any respect whatsoever by written agreement of the Parties hereto without further notice to or authorization on the part of their respective securityholders and any amendment may, without limitation: (a) change the time for performance of any of the obligations or acts of the Parties hereto, (b) waive any inaccuracies or modify any representation contained herein or in any document delivered pursuant hereto, and (c) waive compliance with or modify any of the covenants or conditions herein contained and waive or modify performance of any obligations of the Parties hereto, provided that any such amendment that changes the consideration to be received by the Fund Unitholders and the BGHI Class A Common Shareholders pursuant to the Arrangement is brought to the attention of the Court and is subject to such requirements as may be ordered by the Court.

### 6.2 Termination

This Agreement shall terminate in each of the following circumstances:

- (a) the mutual agreement of the Parties hereto;
- (b) the Arrangement shall not have become effective on or before January 31, 2020 or such later date as may be agreed to by the Parties hereto; and
- (c) termination of this Agreement under Article 4 hereof.

## **Article 7 GENERAL PROVISIONS**

### 7.1 Notices

All notices, requests, demands and other communications hereunder shall be deemed to have been duly given and made if in writing and if served by personal delivery upon the Party for whom it is intended or delivered, or if sent by facsimile transmission, upon receipt of confirmation that such transmission has been received, to the person at the address set forth below. The date of receipt of any such notice or other communication if delivered personally shall be deemed to be the date of delivery thereof, or if sent by facsimile transmission the date of such transmission if

sent during normal business hours on a Business Day, failing which it shall be deemed to have been received on the next Business Day.

(a) BGHI, addressed to:

Boyd Holdings Group Inc.  
1745 Ellice Avenue  
Unit C1  
Winnipeg, MB R3H 1A6  
Attention: President  
Fax No.: (204) 895-1283

(b) the Fund, addressed to:

Boyd Group Income Fund  
1745 Ellice Avenue  
Unit C1  
Winnipeg, MB R3H 1A6  
Attention: Trustees  
Fax No.: (204) 895-1283

(c) BGI, addressed to:

The Boyd Group Inc.  
1745 Ellice Avenue  
Unit C1  
Winnipeg, MB R3H 1A6  
Attention: President  
Fax No.: (204) 895-1283

(d) 4612094, addressed to:

4612094 Manitoba Inc.  
c/o 1700 – 242 Hargrave Street  
Winnipeg, MB R3C 0V1  
Attention: President  
Fax No.: (204) 934-0516

(e) New Boyd, addressed to:

Boyd Group Services Inc.  
1745 Ellice Avenue  
Unit C1



Winnipeg, MB R3H 1A6  
Attention: President  
Fax No.: (204) 895-1283

## 7.2 Applicable Law

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Manitoba and the laws of Canada applicable therein, and all actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in the courts of the Province of Manitoba.

## 7.3 Assignment

No Party may assign this Agreement or any of its rights hereunder or under the Arrangement by operation of law or otherwise without the prior written consent of the other Parties, which consent may be withheld without reason.

## 7.4 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Transmission of an executed copy of this Agreement by facsimile or electronic transmission shall be deemed to be an originally executed counterpart of this Agreement.

## 7.5 Binding Effect

This Agreement and the Arrangement shall be binding upon and shall enure to the benefit of each of the Parties and their respective successors and permitted assigns.

## 7.6 Severability

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

## 7.7 Liability of the Fund

The Parties hereto acknowledge that the trustees of the Fund (the "Trustees") are entering into this agreement solely in their capacity as Trustees on behalf of the Fund and the obligations of the Fund hereunder shall not be personally binding upon the Trustees or any holder of Fund Units and that any recourse against the Fund, the Trustees or any holder of Fund Units in

any manner in respect of any indebtedness, obligation or liability of the Fund arising hereunder or arising in connection herewith or from the matters to which this Agreement relates, if any, including, without limitation, claims based on negligence or otherwise tortuous behaviour, shall be limited to, and satisfied only out of, the Trust Assets as defined in the Fund Declaration of the Trust.

#### 7.8 Further Assurances

Subject to the terms hereof, each Party shall promptly furnish to the other Parties such further documents and take or cause to be taken such further actions as may reasonably be required in order to implement the Arrangement. Each Party shall execute and deliver such instruments and documents as any other Party may reasonably require in order to carry out the intent of this Agreement.

#### 7.9 Exclusivity

None of the covenants of the Fund, BGHI, BGI, New Boyd contained herein shall prevent the board of trustees of the Fund, and the boards of directors of BGHI, BGI and New Boyd, respectively, from responding as required by law to any unsolicited submission or proposal regarding any acquisition or disposition of assets or any unsolicited proposal to amalgamate, merge or effect an arrangement, reorganization or similar transaction or any unsolicited acquisition proposal generally or make any disclosure to its securityholders with respect thereto which in the judgment of the applicable board, acting upon the advice of counsel, is required under applicable law.

#### 7.10 Equitable Remedies

All representations, warranties and covenants herein or to be given hereunder as to enforceability in accordance with the terms of any covenant, agreement or document shall be qualified as to applicable bankruptcy and other laws affecting the enforcement of creditors' rights generally and to the effect that specific performance, being an equitable remedy, may only be ordered at the discretion of the court.

*[Signature page follows.]*

IN WITNESS WHEREOF each of the Parties have caused this Agreement to be executed as of the day and year first above written.

**BOYD GROUP INCOME FUND**

PER:                   *"signed"*                    
Name: Brock Bulbuck  
Title: Chief Executive Officer

**THE BOYD GROUP INC.**

PER:                   *"signed"*                    
Name: Brock Bulbuck  
Title: Chief Executive Officer

**BOYD GROUP HOLDINGS INC.**

PER:                   *"signed"*                    
Name: Brock Bulbuck  
Title: Chief Executive Officer

**BOYD GROUP SERVICES INC.**

PER:                   *"signed"*                    
Name: Brock Bulbuck  
Title: Chief Executive Officer

**4612094 MANITOBA INC.**

PER:                   *"signed"*                    
Name: Brock Bulbuck  
Title: President

**EXHIBIT A**  
**TO THE ARRANGEMENT AGREEMENT**  
**PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE**  
**CANADA *BUSINESS CORPORATIONS ACT***

**Article 1**  
**INTERPRETATION**

1.1 In this Plan of Arrangement, the following terms have the following meanings:

- (a) “**4612094**” means 4612094 Manitoba Inc., a corporation incorporated and existing under *The Corporations Act* (Manitoba);
- (b) “**Arrangement**”, “**herein**”, “**hereof**”, “**hereto**”, “**hereunder**” and similar expressions mean and refer to the arrangement pursuant to Section 192 of the CBCA set forth in this Plan of Arrangement, as amended, modified or supplemented, and not to any particular article, section or other portion hereof;
- (c) “**Arrangement Agreement**” means the agreement dated as of September 19, 2019, among New Boyd, the Fund, BGHI, 4612094 and BGI with respect to the Arrangement and all amendments thereto;
- (d) “**Articles of Arrangement**” means the articles of arrangement in respect of the Arrangement required under Subsection 192(6) of the CBCA to be filed with the Director after the Final Order has been granted;
- (e) “**BGHI**” means Boyd Group Holdings Inc., a corporation continued and existing under the CBCA;
- (f) “**BGHI Arrangement Resolution**” means the special resolution of the shareholders of BGHI Shareholders presented at the BGHI Meeting;
- (g) “**BGHI Class A Common Shareholders**” means the holders of BGHI Class A Common shares;
- (h) “**BGHI Class A Common shares**” means the issued and outstanding Class A Common shares of BGHI;

- (i) **“BGHI Class B Common shares”** means the issued and outstanding Class B Common shares of BGHI;
- (j) **“BGHI Class C Common shares”** means the Class C Common shares of BGHI to be created pursuant to the Arrangement, with conditions, rights and attributes as described on Appendix “A”;
- (k) **“BGHI Meeting”** means the special meeting of BGHI Class A Common Shareholders to be held on December 2, 2019 and any adjournments or postponements thereof, to consider and vote on, among other things, the BGHI Arrangement Resolution and related matters;
- (l) **“BGHI Voting shares”** means the issued and outstanding voting shares of BGHI;
- (m) **“BGHI Shareholders”** means the holders of BGHI Class A Common shares, BGHI Class B Common shares and BGHI Voting shares;
- (n) **“BGHI Shares”** means the BGHI Class A Common shares, BGHI Class B Common shares and the BGHI Voting Shares;
- (o) **“BGI”** means The Boyd Group Inc., a corporation continued and existing under the CBCA;
- (p) **“BGI Class I shares”** means the issued and outstanding Class I shares of BGI;
- (q) **“BGI Class II shares”** means the issued and outstanding Class II shares of BGI;
- (r) **“BGI Class IV shares”** means the issued and outstanding Class IV shares of BGI;
- (s) **“BGI Class A Preferred Shares”** means the Class A Preferred Shares to be created pursuant to the Arrangement, with conditions, rights and attributes as described on Appendix “B”;
- (t) **“BGI Class B Preferred Shares”** means the Class B Preferred Shares to be created pursuant to the Arrangement, with conditions, rights and attributes as described on Appendix “B”;

- (u) “**BGI Common Shares**” means the class of common shares to be created pursuant to the Arrangement, with conditions, rights and attributes as described on Appendix “B”;
- (v) “**CBCA**” means the *Canada Business Corporations Act*, R.S.C., 1985, c.C-44, as amended, including the regulations promulgated thereunder;
- (w) “**Certificate**” means the certificate issued by the Director pursuant to Subsection 192(7) of the CBCA giving effect to the Arrangement;
- (x) “**Court**” means the Manitoba Court of Queen’s Bench;
- (y) “**Depository**” means Computershare Investor Services Inc.;
- (z) “**Direct Registration Advice**” shall have the meaning given to the term in Section 5.1;
- (aa) “**Director**” means the director appointed under Section 260 of the CBCA;
- (bb) “**Dissent Rights**” means the rights of BGHI Shareholders to dissent in respect of the Arrangement pursuant to the procedures set forth on Appendix “C”;
- (cc) “**Dissenting Shareholders**” means those BGHI Shareholders who have exercised dissent rights pursuant to Article 4 hereof and “**Dissenting Shareholder**” means any one of them;
- (dd) “**Dividends**” shall have the meaning given to that term in Section 5.2;
- (ee) “**Effective Date**” means January 1, 2020 or such other date as the Parties may agree upon and the Court order;
- (ff) “**Effective Time**” means 7:00 a.m. (Winnipeg time) on the Effective Date, or such other time on the Effective Date as may be specified in writing by New Boyd;
- (gg) “**Fair Market Value**” means (1) as to BGI Class I shares, BGI Class II shares and BGI Class IV shares, the fair market value of each of the BGI Class I shares, BGI Class II shares and BGI class IV shares, respectively, as determined by the board of directors of BGI and (2) as to BGHI Class A Common shares, the fair market value as determined by the board of directors of BGHI;

- (hh) “**Final Order**” means the final order of the Court approving the Arrangement pursuant to Subsection 192(4) of the CBCA, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction;
- (ii) “**Fund**” means Boyd Group Income Fund, a trust established and existing under the laws of the Province of Manitoba;
- (jj) “**Fund Arrangement Resolution**” means the special resolution of Fund Unitholders presented at the Fund Meeting;
- (kk) “**Fund Declaration of Trust**” means the amended and restated declaration of trust of the Fund dated as of February 25, 2003, as amended on August 21, 2003, as further amended on May 15, 2018, and as further amended on March 20, 2019, governing the Fund, as further amended, supplemented or restated from time to time;
- (ll) “**Fund Meeting**” means the special meeting of the Fund Unitholders to be held on December 2, 2019, and any adjournments or postponements thereof, to consider and vote on, among other things, the Fund Arrangement Resolution and related matters;
- (mm) “**Fund Unitholders**” means the holders of Fund Units from time to time;
- (nn) “**Fund Units**” means the issued and outstanding units of beneficial interest of the Fund designated as “Trust Units” under the Fund Declaration of Trust;
- (oo) “**Interim Order**” means the interim order of the Court under Subsection 192(4) of the CBCA containing declarations and directions with respect to the Arrangement, as such order may be affirmed, amended, modified or supplemented by any court of competent jurisdiction with the consent of BGHI, BGI and the Fund;
- (pp) “**New Boyd**” means Boyd Group Services Inc., a corporation incorporated and existing under the CBCA;
- (qq) “**New Boyd Common Shares**” means the common shares in the capital of New Boyd;
- (rr) “**New Boyd Shareholders**” means the registered holders of New Boyd Common Shares;

- (ss) “**Party**” means a party to the Arrangement Agreement;
- (tt) “**Person**” means and includes individuals, corporations, partnerships, general partnerships, joint stock companies, limited liability corporations, joint ventures, associates, companies, trusts, banks, trust companies, pension funds, business trusts or other organizations, whether or not legal entities, and governments, agencies and political subdivisions thereof;
- (uu) “**Segregated Funds**” shall have the meaning given to that term in Section 5.2;
- (vv) “**TSX**” means the Toronto Stock Exchange.

1.2 Appendix.

- Appendix A - BGHI share conditions
- Appendix B - BGI share conditions
- Appendix C - Dissent Rights

1.3 **Construction.** The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement.

1.4 Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.

1.5 Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa; and words importing any gender shall include all genders.

1.6 References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.7 The word "including", when following any general term or statement, is not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement.



## **Article 2 ARRANGEMENT AGREEMENT**

2.1 This Plan of Arrangement is made pursuant to the Arrangement Agreement and constitutes an arrangement as referred to in Section 192 of the CBCA. If there is a conflict between the terms of the Arrangement Agreement and this Plan of Arrangement, the terms of this Plan of Arrangement shall prevail.

2.2 This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issue of the Certificate, if any, shall become effective on, and subject to Dissent Rights, be binding on and after, the Effective Time on the parties to the Arrangement Agreement.

2.3 The Articles of Arrangement and Certificate shall be filed and issued, respectively, with respect to this Arrangement in its entirety. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence and at the times set out therein.

2.4 Other than as expressly provided for herein, no portion of this Plan of Arrangement shall take effect with respect to any Party or Person until the Effective Time. Furthermore, other than as expressly provided for therein, each of the events listed in Article 3 shall be, without affecting the timing set out in Article 3, mutually conditional, such that no event described in Article 3.1 may occur without all steps occurring, and those events shall effect the integrated transaction which constitutes the Arrangement.

## **Article 3 ARRANGEMENT**

3.1 Commencing at the Effective Time, each of the events set out below in Articles 3.1, 3.2 and 3.3 shall occur and shall be deemed to occur in the following order, each occurring one minute apart (unless otherwise noted), without any further act or formality except as otherwise provided herein:

### **Amendment to Fund Declaration of Trust**

- (a) the Fund Declaration of Trust will be amended if and to the extent necessary to facilitate the Arrangement as provided therein;

### **Amendment of BGHI Articles**

- (b) BGHI's Articles of Incorporation will be amended to amend the conditions, rights and attributes of the BGHI Class A Common shares and the BGHI Class B Common shares as shown on Appendix "A" and to create an unlimited number of BGHI Class C Common shares;

**Exchange of BGI's BGHI Class A Common shares for BGHI Class C Common shares**

- (c) BGI will exchange each of its BGHI Class A Common shares for BGHI Class C Common shares on the basis of one BGHI Class A Common share for one BGHI Class C Common share, with each BGHI Class C Common share having a value equal to the Fair Market Value of each BGHI Class A Common share so exchanged. Each BGHI Class A Common share so exchanged will be cancelled;

**Exchange of Fund Units and BGHI Class A Common shares for New Boyd Common Shares**

- (d) each Fund Unitholder will exchange each of its Fund Units for a New Boyd Common Share on the basis of one Fund Unit for one New Boyd Common Share;
- (e) each BGHI Class A Common Shareholder of record on the date which is 21 calendar days prior to the Effective Date (other than BGI) who has not exercised Dissent Rights prior to such record date shall exchange each of its BGHI Class A Common shares for a New Boyd Common Share on the basis of one BGHI Class A Common share for one New Boyd Common Share, and any retraction of BGHI Class A Common shares after such record date shall be disregarded;

**Transfer of 4612094 BGHI Voting Shares**

- (f) 4612094 will transfer and sell all of its 30,000,000 BGHI Voting shares to New Boyd for their fair market value which is equal to the stated capital of each BGHI Voting share being \$0.00001 per share and an aggregate amount of \$300.00;

**Cancellation of Initial Common Shares of New Boyd**

- (g) the 10 New Boyd Common Shares issued to the Fund in connection with the organization of New Boyd shall be purchased for cancellation by New Boyd for a consideration of \$1.00 per share, an aggregate of \$10.00;

**Amendment of BGI Articles**

- (h) BGI's Articles of Incorporation will be amended to create an unlimited number of BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares;

### **Exchange of BGI Class I Shares**

- (i) the Fund will exchange each of its BGI Class I shares for BGI Class A Preferred Shares on the basis of one BGI Class I share for one BGI Class A Preferred Share with a redemption value being equal to the Fair Market Value of a BGI Class I share so exchanged. Each BGI Class I share so exchanged shall be cancelled;

### **Exchange of BGI Class IV Shares**

- (j) the Fund will exchange each of its BGI Class IV shares for BGI Class B Preferred Shares on the basis of one BGI Class IV share for one BGI Class B Preferred Share with a redemption value being equal to the Fair Market Value of a BGI Class IV share so exchanged. Each BGI Class IV share so exchanged shall be cancelled;

### **Exchange of BGI Class II Shares for BGI Common Shares**

- (k) BGHI will exchange each of its BGI Class II shares for BGI Common Shares on the basis of one BGI Class II share for one BGI Common Share, each BGI Common Share having a value equal to the Fair Market Value of a BGI Class II share so exchanged;

### **Listing of New Boyd Common Shares**

- (l) the New Boyd Common Shares will be listed for trading on the TSX in substitution for the Fund Units;

### **Stated Capital**

- (m) there shall be added to the stated capital account maintained for the New Boyd Common Shares an amount determined by the New Boyd board of directors in accordance with section 26 of the CBCA in respect of the New Boyd Common Shares issued pursuant to the Arrangement and such directors shall be authorized to subsequently reduce the stated capital of New Boyd in an amount determined by such directors without any payment;
- (n) there shall be added to the stated capital account maintained for the BGHI Class C Common shares an amount determined by the BGHI board of directors in accordance with section 26 of the CBCA in respect of the BGHI Class C Common shares issued pursuant to the Arrangement and such directors shall be authorized to subsequently reduce the stated capital of BGHI in an amount determined by such directors without any payment;

- (o) there shall be added to the stated capital accounts maintained for each of the BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares an amount determined by the BGHI board of directors in accordance with section 26 of the CBCA in respect of each of the BGI Common Shares, BGI Class A Preferred Shares and BGI Class B Preferred Shares issued pursuant to the Arrangement and such directors shall be authorized to subsequently reduce the stated capital of New Boyd in an amount determined by such directors without any payment.

3.2 The members of the board of directors of New Boyd shall be set at eight (8), in accordance with the Articles of Incorporation of New Boyd, and each of the following persons shall be appointed to the board of directors of New Boyd to hold office until the next annual meeting of shareholders of New Boyd or until his successor is elected or appointed:

Dave Brown  
Brock Bulbuck  
Allan Davis  
Gene Dunn  
Robert Gross  
Violet (Vi) A. M. Konkle  
Timothy O'Day  
Sally Savoia

3.3 Initially, the auditors of New Boyd shall be Deloitte LLP until the next annual meeting of shareholders of New Boyd.

3.4 Upon the exchange of Fund Units and BGHI Class A Common shares for New Boyd Common Shares pursuant to Article 3.1:

- (a) each former holder of Fund Units shall cease to be the holder of the Fund Units so exchanged and the name of each such former holder of Fund Units shall be removed from the register of Fund Units and New Boyd shall become the sole holder of the Fund Units and shall be added to the register of Fund Units as the sole owner of the Fund Units;
- (b) each former BGHI Class A Common Shareholder shall cease to be the holder of the BGHI Class A Common shares so exchanged and shall be removed from the record of BGHI Class A Common Shareholders and New Boyd shall become the sole holder thereof and shall be added to the shareholder records as the sole owner of the BGHI Class A Common shares;
- (c) each such holder of Fund Units and of BGHI Class A Common shares shall become the holder of the New Boyd Common Shares exchanged for Fund Units and BGHI Class A Common shares, as applicable, by such holder and

shall be added to the register of holders of New Boyd Common Shares in respect thereof.

#### **Article 4 RIGHTS OF DISSENT**

##### 4.1 Rights of Dissent

BGHI Shareholders (other than 4612094, the Fund and BGI, who have agreed not to exercise Dissent Rights) may exercise Dissent Rights pursuant to and in the manner set forth in Appendix C to this Plan of Arrangement (which are substantively equivalent to the provisions of Section 190 of the CBCA) and in this Article 4 in connection with the Dissenting Shareholders who:

- (a) are ultimately entitled to be paid by BGHI the fair value of their BGHI Shares shall be deemed to have transferred their BGHI Shares to BGHI for cancellation on the Effective Date immediately prior to the first step of the Plan of Arrangement set out in Article 3.1(a) above being effective and in no case shall the Fund, BGHI, BGI, New Boyd and 4612094, or any other person be required to recognize such persons, by reason of their ownership of BGHI Shares in respect of which they exercised their Dissent Rights, as holders of BGHI Shares or New Boyd Common Shares after the Effective Date and the names of such holders shall be deleted from the BGHI share register on the Effective Date; or
- (b) are ultimately not entitled to be paid by BGHI the fair value of their BGHI Shares shall be deemed to have participated in the Arrangement on the same basis as any non-dissenting BGHI Shareholder as at and from the Effective Time.

##### 4.2 No Right of Dissent

In addition to any other restrictions in Appendix C hereto, no BGHI Shareholder who votes in favour of the Arrangement shall be entitled to exercise any Dissent Rights under the Arrangement.

#### **Article 5 CERTIFICATES AND PAYMENTS**

5.1 From and after the time of the exchange of BGHI Class A Common shares and Fund Units for New Boyd Common Shares pursuant to Sections 3.1(d) and 3.1(e), respectively:

- (a) certificates formerly representing Fund Units shall represent only the right to receive an electronic registration of ownership of New Boyd Common Shares in the records of New Boyd (“**Direct Registration Advice**”) as provided in this Plan of Arrangement; and
- (b) certificates formerly representing BGHI Class A Common shares shall represent only the right to receive a Direct Registration Advice as provided in this Plan of Arrangement,

subject to compliance with the requirements set forth in this Article 5.

5.2 Prior to the Effective Time, the Fund shall establish with the Depository an account for the benefit of New Boyd Shareholders entitled to New Boyd dividends (the “**Dividends**”) for the purpose of depositing such cash with the Depository (the “**Segregated Funds**”).

5.3 All Dividends paid with respect to any New Boyd Common Shares allotted and issued after the Effective Time, but for which a Direct Registration Advice has not been issued shall be paid or delivered to the Depository to be held by the Depository as Segregated Funds, in trust for the registered holder of the New Boyd Common Shares. Subject to Section 5.6, the Depository shall pay and deliver to any such registered holder such Dividends to which such holder is entitled, net of applicable withholding and other taxes, upon delivery of the certificate or Direct Registration Advice representing the New Boyd Common Shares issued to such holder in accordance with Section 5.4. No registered holder shall be entitled to receive any interest on the payment of such Dividends.

5.4 The Fund shall forward to each registered Unitholder at the address of such holder as it appears on the register of Fund Units, or on the register of BGHI and to each registered holder of BGHI Class A Common shares, on or before the Effective Date, a Letter of Transmittal and instructions for obtaining delivery of a Direct Registration Advice to such holder pursuant to this Arrangement. A registered Fund Unitholder or a registered BGHI Class A Common Shareholder may take delivery of a Direct Registration Advice by delivering the certificates representing such holder’s Fund Units or BGHI Class A Common shares to the Depository at any of the offices indicated in the Letter of Transmittal, accompanied by a duly completed Letter of Transmittal and such other documents as the Depository may reasonably require. The Direct Registration Advice issued to such holder shall be registered in such names and, delivered to such addresses as such holder may direct in such Letter of Transmittal, or as soon as practicable after receipt by the Depository of the required documents.

5.5 Fund Unitholders and BGHI Class A Common Shareholders shall not be entitled to any interest, premium or other payment on or with respect to the former Fund Units or former BGHI Class A Common shares other than the Direct Registration Advice which they are entitled to receive pursuant to this Arrangement.

5.6 Any certificate formerly representing Fund Units or BGHI Class A Common shares that is not deposited with all other documents as provided in Section 5.4 on the day before the fifth

anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature and the right of the holder of such Fund Units or BGHI Class A Common shares to receive a Direct Registration Advice and/or any cash payments, as the case may be, shall be deemed to be surrendered to New Boyd, together with all dividends thereon held for such holder.

5.7 If any certificate which immediately prior to the exchanges contemplated by Section 3.1(d) or 3.1(e), as the case may be, represented an interest in outstanding Fund Units or BGHI Class A Common shares that were transferred on such exchange has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to have been lost, stolen or destroyed, the registered holder thereof in the register of Fund Units or register of BGHI Class A Common shares, as the case may be, shall, as a condition precedent to the receipt of any Direct Registration Advice to be issued to such person, provide to New Boyd and the Depositary, a bond, in form and substance satisfactory to New Boyd, or otherwise indemnify New Boyd, to its satisfaction, in its sole and absolute discretion, against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

5.8 No Direct Registration Advice representing fractional New Boyd Common Shares shall be issued under this Arrangement.

## **Article 6 AMENDMENTS**

6.1 New Boyd, the Fund, 4612094, BGHI and BGI may amend this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment must be: (i) set out in writing; (ii) approved by the other parties to the Arrangement Agreement; and (iii) filed with the Court.

6.2 Any amendment, modification or supplement to this Plan of Arrangement may be made prior to the Effective Time by New Boyd, the Fund, 4612094, BGHI and BGI (or, following the Effective Time, by New Boyd) without the approval of the Court or Fund Unitholders or BGHI Class A Common Shareholders, provided that it concerns a matter which, in the reasonable opinion of New Boyd, the Fund, 4612094, BGHI and BGI (or, following the Effective Time, New Boyd) is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement or is not adverse to the financial or economic interests of any former holder of Fund Units or BGHI Class A Common shares.

6.3 Subject to Article 6.2, any amendment to this Plan of Arrangement may be proposed by New Boyd, the Fund, 4612094, BGHI and BGI at any time prior to the earlier of the Fund Meeting or the BGHI Meeting (provided that the other parties to the Arrangement Agreement shall have consented thereto) with or without any prior notice or communication to Fund Unitholders or BGHI Class A Common Shareholders, and if so proposed and accepted by the Persons voting at the Fund Meeting and at the BGHI Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

6.4 Subject to Article 6.2, New Boyd, the Fund, 4612094, BGHI and BGI may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time after the Fund Meeting and the BGHI Meeting and prior to the Effective Time with the approval of the Court and, if and as required by the Court, after communication to the Fund Unitholders and the BGHI Class A Common Shareholders.

## **Article 7 GENERAL**

7.1 Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

7.2 If, prior to the Effective Date, any term or provision of this Plan of Arrangement is held by the Court to be invalid, void or unenforceable, the Court, at the request of any parties, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan of Arrangement shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

7.3 This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of Manitoba and the federal laws of Canada applicable therein. Any questions as to the interpretation or application of this Plan of Arrangement and all proceedings taken in connection with this Plan of Arrangement and its provisions shall be subject to the exclusive jurisdiction of the Court.

7.4 Should the Minister of National Revenue and/or any other competent taxing authority having jurisdiction determine that the Fair Market Value of the BGI Class I shares exchanged for BGI Class A Preferred Shares, BGI Class II shares exchanged for BGI Common Shares, BGI Class IV shares exchanged for BGI Class B Preferred Shares and/or BGHI Class A Common shares exchanged for BGHI Class C Common shares, respectively, is greater than or less than the value of the shares so exchanged as determined by the boards of directors of BGI or BGHI, as applicable, the amount as determined by the Minister of National Revenue and/or any other competent taxing authority having jurisdiction, if accepted by the parties hereto, or if not accepted, then as is finally determined in accordance with the assessment, objections to assessment and appeal procedures which may be made or taken pursuant to the revisions of the Act and/or the appropriate Act of the other competent taxing authority having jurisdiction (if any) after such determination, shall thereupon govern and instead become the applicable value, and the purchase price and the redemption price of the applicable shares as determined under the Articles of Incorporation of BGI and/or BGHI, as applicable, shall be adjusted to reflect the amount so



determined, any such adjustment to be effective as of the Effective Date. BGI, BGHI and the Fund agree to make any and all adjustments respecting any transactions in respect of the foregoing shares to give effect to any such adjustments.

**APPENDIX “A”  
TO THE PLAN OF ARRANGEMENT**

**BGHI share conditions**

- A. The Class C Common shares of the Corporation shall have attached thereto the following rights, privileges, restrictions and conditions:
- (a) The holders of Class C Common shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and shall be entitled to one (1) vote thereat for each Class C Common share then held by them.
- B. Notwithstanding anything to the contrary contained in the rights, privileges, restrictions and conditions otherwise attaching to the Class A Common shares and the Class B Common shares in the Articles of the Corporation:
- (a) The holders of Class A Common shares, Class B Common shares and Class C Common shares shall be entitled to dividends equally on a pro rata basis where, as and if declared thereon from time to time by the Board of Directors of the Corporation in its discretion.
  - (b) In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the property and assets of the Corporation shall be paid and distributed pro rata, share for share, to the holders of the Class A Common shares, Class B Common shares and Class C Common shares..

**APPENDIX “B”  
TO THE PLAN OF ARRANGEMENT**

**BGI share conditions**

- A. The Common Shares shall have attached thereto the following rights, privileges, restrictions and conditions:
- (a) The holders of Common Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and shall be entitled to one (1) vote thereat for each Common Share then held by them respectively.
  - (b) The holders of Common Shares shall be entitled to such dividends as may be declared thereon from time to time by the Board of Directors of the Corporation in its discretion. The aggregate amount of dividends to be declared or paid or set apart for payment on the Common Shares shall be shared rateably among the Common Shares then issued and outstanding.
  - (c) In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Common Shares shall be entitled to receive rateably among themselves the assets and property of the Corporation.
- B. The Class A Preferred Shares shall have attached thereto the following rights, privileges, restrictions and conditions, as well as any rights, privileges, restrictions and conditions to which the Class A Preferred Shares are made subject pursuant to any other clause herein:
- (a) The holders of the Class A Preferred Shares shall be entitled to such dividends as may be declared from time to time by the Board of Directors of the Corporation in its discretion. The aggregate amount of dividends to be declared or paid or set apart for payment on the Class A Preferred Shares shall be shared rateably among the Class A Preferred Shares then issued and outstanding.
  - (b) In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Class A Preferred Shares shall be entitled to receive from the assets and the property of the Corporation for each such share held by them a sum equivalent to the redemption price for each Class A Preferred Share hereinafter specified and any declared and unpaid dividends thereon before any amount shall be paid or any assets or property of the Corporation distributed to the holders of any Common Shares or other shares of any other class ranking junior to the Class A Preferred Shares. After payment to the holders of the Class A

Preferred Shares of the amounts so payable to them as above provided, they shall not be entitled to share in any further distribution of the assets or property of the Corporation.

- (c) Subject to the provisions of the *Canada Business Corporations Act*, as now enacted or as it may from time to time be amended, re-enacted or replaced (and in the case of such amendment, re-enactment or replacement, any references herein shall be read as referring to such amended, re-enacted or replaced provisions), the Corporation shall, at the request of any holder of Class A Preferred Shares and upon being given notice as hereinafter contained, redeem the Class A Preferred Shares of such holder on payment for each such share to be redeemed of a sum equal to the redemption price for each Class A Preferred Share hereinafter specified, together with all declared and unpaid dividends thereon.
- (d) The redemption right in Clause B (c) hereof may be exercised by notice in writing given to the Corporation at its registered office accompanied by the certificate or certificates representing Class A Preferred Shares in respect of which the holder thereof desires to exercise such right of redemption and such notice shall be signed by the person registered on the records of the Corporation as the holder of the Class A Preferred Shares in respect of which such right is being exercised or by his duly authorized attorney and shall specify the number of Class A Preferred Shares which the holder desires to have redeemed. Within 60 days of the date of mailing by registered mail the notice in writing hereinbefore referred to, the Corporation shall pay or cause to be paid to or to the order of the registered holder of the Class A Preferred Shares to be redeemed the redemption price thereof as hereinafter specified, together with all declared and unpaid dividends thereon. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. The notice provisions contained herein may be abridged or dispensed with at the discretion of the Board of Directors of the Corporation.
- (e) Subject to the provisions of the *Canada Business Corporations Act*, as now enacted or as it may from time to time be amended, re-enacted or replaced (and in the case of such amendment, re-enactment or replacement, any references herein shall be read as referring to such amended, re-enacted or replaced provisions), the Corporation may redeem at any time the whole or from time to time any part of the then outstanding Class A Preferred Shares on payment for each share to be redeemed of a sum equal to the fair market value of the aggregate consideration (as determined by the Board of Directors of the Corporation) for which such Class A Preferred Shares then outstanding were issued divided by the number of Class A Preferred Shares then outstanding, which sum is herein referred to as the "redemption price for each Class A Preferred Share", together with all declared and unpaid

dividends thereon. Provided, however, if the Minister of National Revenue of Canada should determine that the fair market value of the aggregate consideration for which such Class A Preferred Shares then outstanding were issued is greater than or less than the fair market value of such consideration as determined by the Board of Directors of the Corporation then the redemption price for each such Class A Preferred Share shall be the fair market value of such consideration as determined by the Minister of National Revenue of Canada or such other amount as may be finally determined by virtue of objections and/or appeals taken pursuant to the Income Tax Act (Canada) in the event that such objections and/or appeals are taken, or in accordance with any court determination otherwise available at law and binding on the Minister of National Revenue of Canada, divided by the number of Class A Preferred Shares then outstanding. In the event that any Class A Preferred Shares are redeemed prior to either of these determinations all changes that occur as a result of either of these determinations shall be made on a retroactive basis from the time of the issuance of the Class A Preferred Shares. In case a part only of the then outstanding Class A Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be redeemed pro-rata disregarding fractions and the Board of Directors of the Corporation may make such adjustments as may be necessary to avoid the redemption of fractional parts of shares.

- (f) In the case of redemption of Class A Preferred Shares under the provisions of Clause B (e) hereof, the Corporation shall, at least 10 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of the Class A Preferred Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Class A Preferred Shares. Such notice shall be mailed by letter, postage prepaid, addressed to each such shareholder at his address as it appears on the records of the Corporation or, in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder; provided, however, that accidental failure to give any such notice to one or more of such shareholders shall not affect the validity of such redemption. Such notice shall set out the redemption price for each Class A Preferred Share and the date on which redemption is to take place, and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Class A Preferred Shares to be redeemed the redemption price for each Class A Preferred Share being redeemed, together with all declared and unpaid dividends thereon, on presentation and surrender at the registered office of the Corporation, or any other place designated in such notice, of the certificates representing the Class A Preferred Shares called for redemption. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date

specified for redemption in any such notice, a holder of Class A Preferred Shares called for redemption shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of a shareholder in respect thereof unless payment of the redemption price for such Class A Preferred Shares is not made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the shareholder shall remain unaffected. The Corporation shall have the right at any time after the mailing of notice of its intention to redeem any Class A Preferred Shares as aforesaid to deposit the redemption price for such Class A Preferred Shares or such of the shares represented by certificates as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Class A Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Class A Preferred Shares in respect whereof such deposit shall have been made shall be redeemed and the right of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving, without interest, their proportionate part of the total redemption price for the Class A Preferred Shares so deposited against presentation and surrender of the said certificates held by them respectively, together with all declared and unpaid dividends thereon. The notice provisions contained herein may be abridged or dispensed with at the discretion of the Board of Directors of the Corporation.

- (g) No dividends shall be declared or paid on or set apart for payment on the Class B Preferred Shares, the Common Shares or other shares of any other class ranking junior to the Class A Preferred Shares, or any of them, which would have the effect of reducing the assets available on a winding-up for distribution to holders of Class A Preferred Shares below an amount equivalent to the aggregate redemption price payable for the Class A Preferred Shares then issued and outstanding.
  - (h) The holders of Class A Preferred Shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and shall be entitled to one (1) vote thereat for each Class A Preferred Share then held by them respectively.
- C. The Class B Preferred Shares shall have attached thereto the following rights, privileges, restrictions and conditions, as well as any rights, privileges, restrictions and conditions to which the Class B Preferred Shares are made subject pursuant to any other clause herein:

- (a) The holders of the Class B Preferred Shares shall be entitled to such dividends as may be declared from time to time by the Board of Directors of the Corporation in its discretion. The aggregate amount of dividends to be declared or paid or set apart for payment on the Class B Preferred Shares shall be shared rateably among the Class B Preferred Shares then issued and outstanding.
- (b) In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Class B Preferred Shares shall be entitled to receive from the assets and the property of the Corporation for each such share held by them a sum equivalent to the redemption price for each Class B Preferred Share hereinafter specified and any declared and unpaid dividends thereon before any amount shall be paid or any assets or property of the Corporation distributed to the holders of Class A Preferred Shares, Common Shares, or other shares of any other class ranking junior to the Class B Preferred Shares. After payment to the holders of the Class B Preferred Shares of the amounts so payable to them as above provided, they shall not be entitled to share in any further distribution of the assets or property of the Corporation.
- (c) Subject to the provisions of the *Canada Business Corporations Act*, as now enacted or as it may from time to time be amended, re-enacted or replaced (and in the case of such amendment, re-enactment or replacement, any references herein shall be read as referring to such amended, re-enacted or replaced provisions), the Corporation shall, at the request of any holder of Class B Preferred Shares and upon being given notice as hereinafter contained, redeem the Class B Preferred Shares of such holder on payment for each such share to be redeemed of a sum equal to the redemption price for each Class B Preferred Share hereinafter specified, together with all declared and unpaid dividends thereon.
- (d) The redemption right in Clause C (c) hereof may be exercised by notice in writing given to the Corporation at its registered office accompanied by the certificate or certificates representing Class B Preferred Shares in respect of which the holder thereof desires to exercise such right of redemption and such notice shall be signed by the person registered on the records of the Corporation as the holder of the Class B Preferred Shares in respect of which such right is being exercised or by his duly authorized attorney and shall specify the number of Class B Preferred Shares which the holder desires to have redeemed. Within 60 days of the date of mailing by registered mail the notice in writing hereinbefore referred to, the Corporation shall pay or cause to be paid to or to the order of the registered holder of the Class B Preferred Shares to be redeemed the redemption price thereof as hereinafter specified, together with all declared and unpaid dividends thereon. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense

of the Corporation. The notice provisions contained herein may be abridged or dispensed with at the discretion of the Board of Directors of the Corporation.

- (e) Subject to the provisions of the *Canada Business Corporations Act*, as now enacted or as it may from time to time be amended, re-enacted or replaced (and in the case of such amendment, re-enactment or replacement, any references herein shall be read as referring to such amended, re-enacted or replaced provisions), the Corporation may redeem at any time the whole or from time to time any part of the then outstanding Class B Preferred Shares on payment for each share to be redeemed of a sum of \$1,000, being the price for which such Class B Preferred Shares then outstanding were issued, which sum is herein referred to as the "redemption price for each Class B Preferred Share", together with all declared and unpaid dividends thereon. Provided, however, if the Minister of National Revenue of Canada should determine that the fair market value of the aggregate consideration for which such Class B Preferred Shares then outstanding were issued is greater than or less than the fair market value of such consideration as determined by the Board of Directors of the Corporation then the redemption price for each such Class B Preferred Share shall be the fair market value of such consideration as determined by the Minister of National Revenue of Canada or such other amount as may be finally determined by virtue of objections and/or appeals taken pursuant to the Income Tax Act (Canada) in the event that such objections and/or appeals are taken, or in accordance with any court determination otherwise available at law and binding on the Minister of National Revenue of Canada, divided by the number of Class B Preferred Shares then outstanding. In the event that any Class B Preferred Shares are redeemed prior to either of these determinations all changes that occur as a result of either of these determinations shall be made on a retroactive basis from the time of the issuance of the Class B Preferred Shares. In case a part only of the then outstanding Class B Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be redeemed pro-rata disregarding fractions and the Board of Directors of the Corporation may make such adjustments as may be necessary to avoid the redemption of fractional parts of shares.
  
- (f) In the case of redemption of Class B Preferred Shares under the provisions of Clause C (e) hereof, the Corporation shall, at least 10 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of the Class B Preferred Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Class B Preferred Shares. Such notice shall be mailed by letter, postage prepaid, addressed to each such shareholder at his address as it appears on the records of the Corporation or, in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder; provided, however, that accidental failure to give any such notice to one or



more of such shareholders shall not affect the validity of such redemption. Such notice shall set out the redemption price for each Class B Preferred Share and the date on which redemption is to take place, and, if part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Class B Preferred Shares to be redeemed the redemption price for each Class B Preferred Share being redeemed, together with all declared and unpaid dividends thereon, on presentation and surrender at the registered office of the Corporation, or any other place designated in such notice, of the certificates representing the Class B Preferred Shares called for redemption. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified for redemption in any such notice, a holder of Class B Preferred Shares called for redemption shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of a shareholder in respect thereof unless payment of the redemption price for such Class B Preferred Shares is not made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the shareholder shall remain unaffected. The Corporation shall have the right at any time after the mailing of notice of its intention to redeem any Class B Preferred Shares as aforesaid to deposit the redemption price for such Class B Preferred Shares or such of the shares represented by certificates as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of such Class B Preferred Shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing the same and upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Class B Preferred Shares in respect whereof such deposit shall have been made shall be redeemed and the right of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving, without interest, their proportionate part of the total redemption price for the Class B Preferred Shares so deposited against presentation and surrender of the said certificates held by them respectively, together with all declared and unpaid dividends thereon. The notice provisions contained herein may be abridged or dispensed with at the discretion of the Board of Directors of the Corporation.

- (g) No dividends shall be declared or paid on or set apart for payment on the Common Shares or other shares of any other class ranking junior to the Class B Preferred Shares or any of them, which would have the effect of reducing the assets available on a winding-up for distribution to holders of Class B Preferred Shares below an amount equivalent to the aggregate

redemption price payable for the Class B Preferred Shares then issued and outstanding.

- (h) The holders of Class B Preferred Shares shall not be entitled to receive notice of or to attend any meetings of the shareholders of the Corporation and shall not be entitled to any vote at any such meeting except where specifically required by the *Canada Business Corporations Act*.

**APPENDIX “C”**  
**TO THE PLAN OF ARRANGEMENT**  
**DISSENT RIGHTS**

The following provisions describe the rights of dissent available to BGHI Shareholders under the Plan of Arrangement. All capitalized terms used herein but not otherwise defined have the meanings ascribed thereto in the Plan of Arrangement.

1. A BGHI Shareholder may dissent in respect of the Arrangement upon compliance with Article 4 of the Plan of Arrangement and the provisions of this Appendix C (any such Shareholder who so dissents being a “**Dissenting Shareholder**”).
2. In addition to any other right it may have, but subject to paragraph 25 hereof, a person who complies with these dissent provisions is entitled, on the Effective Date, to be paid by BGHI the fair value of such person’s BGHI Shares (such person’s “**interest**”) in respect of which such person dissents, determined as of the close of business on the day before the Effective Date.
3. A Dissenting Shareholder may only claim Dissent Rights with respect to all the interest held by such Dissenting Shareholder.
4. A Dissenting Shareholder shall send to BGHI, at or before the BGHI Meeting, a written objection to the BGHI Arrangement Resolution approving the Arrangement to be voted on at the BGHI Meeting, unless BGHI did not give notice to the BGHI Shareholder of the purpose of the BGHI Meeting and of its right to dissent.
5. BGHI shall, within ten days after the BGHI Shareholders adopt the BGHI Arrangement Resolution, send to each BGHI Shareholder who has filed the objection referred to in paragraph 4 hereof, notice that the BGHI Arrangement Resolution has been adopted, but such notice is not required to be sent to any BGHI Shareholder who (a) voted their BGHI Share(s) in favour of the BGHI Arrangement Resolution, or (b) has withdrawn its objection.
6. A Dissenting Shareholder shall, within twenty days after it receives a notice under paragraph 5 hereof or, if it does not receive such notice, within twenty days after it learns that the BGHI Arrangement Resolution has been adopted, send to BGHI a written notice containing:
  - (a) its name and address;
  - (b) a description of the Dissenting Shareholder’s interest; and
  - (c) a demand for payment of the fair value of such interest.

7. A Dissenting Shareholder shall, within thirty days after it sends a notice under paragraph 6 hereof, send the certificate(s) representing the shares in respect of which the Dissenting Shareholder dissents, to BGHI. Failure to comply with this requirement will result in the Dissenting Shareholder having no right to make a claim pursuant to this paragraph.
8. BGHI shall endorse on any share certificate received pursuant to paragraph 7, a notice that the holder is a Dissenting Shareholder under this section and shall forthwith return the share certificate to the Dissenting Shareholder.
9. On sending a notice under paragraph 6 hereof, a Dissenting Shareholder ceases to have any rights as a holder of its interest other than the right to be paid the fair value of its interest as determined under these Dissent Rights except where:
  - (a) the Dissenting Shareholder withdraws his notice before BGHI makes an offer under paragraph 10 hereof;
  - (b) BGHI fails to make an offer in accordance with paragraph 10 hereof and the Dissenting Shareholder withdraws his notice; or
  - (c) the Plan of Arrangement is not completed,in which case its rights as a holder of its interest are reinstated as of the date it sent the notice referred to in paragraph 6 hereof.
10. BGHI shall, not later than seven days after the later of the Effective Date and the day BGHI received the notice referred to in paragraph 6 hereof, send to each Dissenting Shareholder who has sent such notice:
  - (a) a written offer to pay for such Dissenting Shareholder's interest an amount considered by the directors of BGHI to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
  - (b) if paragraph 25 hereof applies, a notification that it is unable lawfully to pay Dissenting Shareholders for their interests.
11. Every offer made under paragraph 10 hereof for the same interests shall be on the same terms.
12. On receiving an offer pursuant to paragraph 10 hereof, each Dissenting Shareholder wishing to accept the offer shall give BGHI its notice of acceptance of the offer in writing, which must be received by BGHI within thirty days after the offer was made.
13. Subject to paragraph 25 hereof, BGHI shall pay for the interest of a Dissenting Shareholder within ten days after an offer made under paragraph 10 hereof has been accepted, but any such offer lapses if BGHI does not receive an acceptance thereof within thirty days after the offer has been made.

14. Where BGHI fails to make an offer under paragraph 10 hereof, or if a Dissenting Shareholder fails to accept an offer, BGHI may, within fifty days after the Effective Date or within such further period as a court may allow, apply to a court to fix a fair value for the interest of any Dissenting Shareholder.
15. If BGHI fails to apply to a court under paragraph 14 hereof, a Dissenting Shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.
16. An application under paragraph 14 or 15 hereof shall be made to a court having jurisdiction in the place where BGHI has its registered office or in the province where the Dissenting Shareholder resides if BGHI carries on business in that province.
17. A Dissenting Shareholder is not required to give security for costs in an application made under paragraph 14 or 15 hereof.
18. On an application to a court under paragraph 14 or 15,
  - (a) all Dissenting Shareholders whose interests have not been purchased by BGHI shall be joined as parties and are bound by the decision of the court; and
  - (b) BGHI shall notify each affected Dissenting Shareholder of the date, place and consequences of the application and of its right to appear and be heard in person or by counsel.
19. On an application to a court under paragraph 14 or 15 hereof, the court may determine whether any other person is a Dissenting Shareholder who should be joined as a party, and the court shall then fix a fair value for the interests of all Dissenting Shareholders.
20. A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the interests of the Dissenting Shareholders.
21. The final order of a court shall be rendered against BGHI in favour of each Dissenting Shareholder and for the amount of the interests as fixed by the court.
22. A court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the date the action approved by the BGHI Arrangement Resolution is effective until the date of payment.
23. If paragraph 25 hereof applies, BGHI shall, within ten days after the pronouncement of an order under paragraph 21 hereof, notify each Dissenting Shareholder that it is unable lawfully to pay Dissenting Shareholders for their interests.
24. If paragraph 25 hereof applies, a Dissenting Shareholder, by written notice delivered to BGHI within thirty days after receiving a notice under paragraph 23 hereof, may

(a) withdraw its notice of dissent, in which case BGHI is deemed to consent to the withdrawal and the shareholder is reinstated to its full rights as a holder of its interest; or

(b) retain its status as a claimant against BGHI, to be paid as soon as BGHI is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of BGHI but in priority to its shareholders.

25. BGHI shall not make a payment to a Dissenting Shareholder under these Dissent Rights if there are reasonable grounds for believing that

(a) BGHI is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of BGHI's assets would thereby be less than the aggregate of its liabilities.

## APPENDIX “E” - INFORMATION CONCERNING NEW BOYD

### NOTICE TO READER

As at the date hereof, New Boyd has not carried on any active business other than executing the Arrangement Agreement. Unless otherwise noted, the disclosure in this Appendix “E” has been prepared assuming that the Arrangement has been completed. Upon completion of the Arrangement, New Boyd will be the publicly listed corporation resulting from the reorganization of the Fund’s trust structure into a public corporation pursuant to the Arrangement. Unless otherwise defined herein, all capitalized words and phrases used in this Appendix have the meaning given to such words and phrases in the “Glossary of Terms” or elsewhere in the Information Circular to which this Appendix “E” is attached.

### CORPORATE STRUCTURE

#### Name, Address and Incorporation

New Boyd was incorporated on September 19, 2019 pursuant to the provisions of the CBCA, for purposes of effecting the Conversion. Once the Arrangement has been completed, New Boyd will hold directly all of the issued and outstanding Fund Units. The principal and head office of New Boyd will, following completion of the Arrangement, be located at 1745 Ellice Avenue, Unit C1, Winnipeg, Manitoba, R3H 1A6.

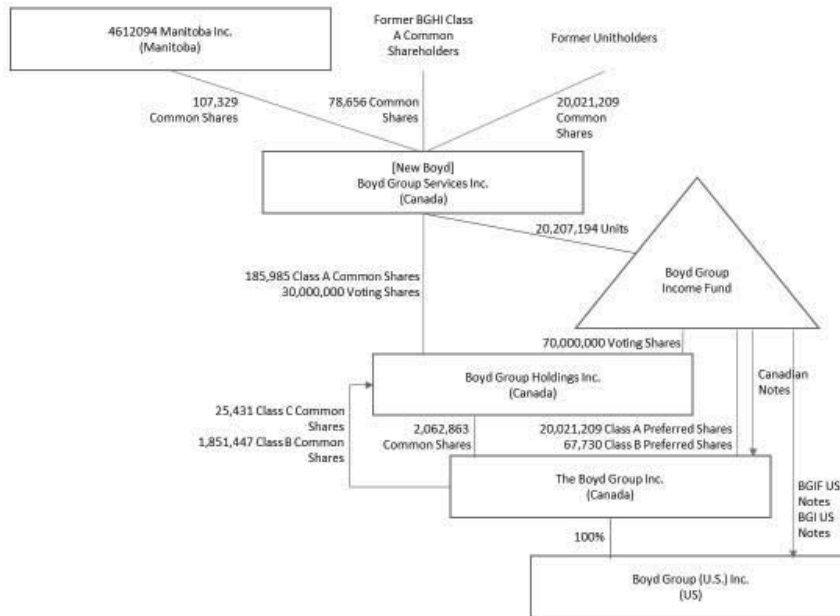
#### Intercorporate Relationships

As at the date hereof, New Boyd does not have any subsidiaries. The following table provides the name, the percentage of voting securities to be owned, directly or indirectly, by New Boyd and the jurisdiction of incorporation, continuance or formation of New Boyd’s anticipated subsidiaries after giving effect to the Arrangement.

<b>Entity</b>	<b>Jurisdiction</b>	<b>Percentage of Interest held directly or indirectly by New Boyd</b>
Boyd Group Income Fund	Manitoba	100%
Boyd Group Holdings Inc.	Canada	100%
The Boyd Group Inc.	Canada	100%
The Boyd Group (U.S.) Inc.	U.S., Delaware	100%

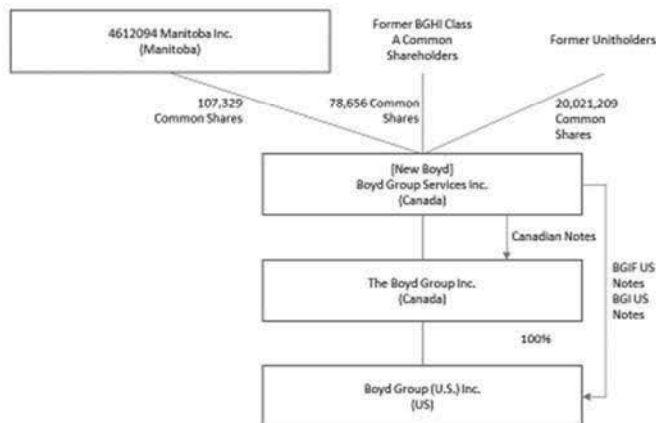
## Organizational Structure of New Boyd

The following diagram illustrates the organizational structure of New Boyd immediately following the completion of the Arrangement.





If the Conversion is completed, it is anticipated that BGHI and BGI will be amalgamated and the Fund wound up in the 2021 fiscal year. The following diagram illustrates the organizational structure of New Boyd immediately following those events.



## GENERAL DEVELOPMENT OF THE BUSINESS

New Boyd has not carried on any active business since its incorporation other than executing the Arrangement Agreement. If approved, the Arrangement will result in the reorganization of the Fund’s trust structure into a public corporation, New Boyd, that will own all of the Fund Units. Upon completion of the Arrangement, the former Fund Unitholders and BGHI Class A Common Shareholders (other than BGI and those who have exercised Dissent Rights) will become holders of New Boyd Common Shares. For a detailed description of the historical development of the business of the Fund, see “General Development of the Business” in the AIF which is incorporated by reference in the Information Circular. For a description of the business to be carried on by New Boyd following completion of the Arrangement, see “Description of the Business” in this Appendix “E”.

New Boyd will, as a result of the Arrangement, become (or, where necessary, seek to become) a reporting issuer in all Canadian provinces (except Quebec) on the Effective Date and, accordingly, will become subject to the informational reporting requirements under the securities laws of each jurisdiction in which it so becomes a reporting issuer.

The TSX has conditionally approved the substitutional listing of the New Boyd Common Shares, subject to New Boyd satisfying the requirements of the TSX. The New Boyd Common Shares will be listed on the TSX under the trading symbol “BYD”.

## DESCRIPTION OF THE BUSINESS

If approved, the Arrangement will result in the reorganization of the Fund's trust structure into a public corporation, New Boyd, that will own all of the Fund Units. New Boyd will continue to operate the business of BGI and its affiliates as presently conducted. There is no anticipated material change in how the business will be conducted going forward. For a detailed description of the Fund's business, which will continue to be carried on by New Boyd if the Arrangement is completed, see the section entitled "Description of the Business" in the AIF which is incorporated by reference in the Information Circular.

## DIRECTORS AND EXECUTIVE OFFICERS

The Articles of Incorporation of New Boyd provide that the board of directors consist of a minimum of three (3) and maximum of fifteen (15) directors. Following the completion of the Arrangement, the board of directors of New Boyd will consist of eight (8) directors, initially comprised of the current trustees of the Fund: David Brown, Brock Bulbuck, Allan Davis, Gene Dunn, Robert Gross, Violet Konkle, Timothy O'Day and Sally Savoia. The senior management of New Boyd will be comprised of the current members of senior management of the Fund. In addition to the senior executive officers noted in the table below, Narendra "Pat" Pathipati, the current Executive Vice- President, Secretary and CFO of the Fund will continue in those same capacities with New Boyd. The following table sets forth the name, municipality of residence, offices anticipated to be held and principal occupation for each of the anticipated directors and executive officers of New Boyd upon completion of the Arrangement. The directors of New Boyd shall hold office until the next annual meeting of shareholders (unless the office is vacated earlier due to death, removal, resignation or ceasing to be duly qualified).

<b>Name</b>	<b>Offices Held in New Boyd</b>	<b>Principal Occupation</b>	<b>Director Since</b>	<b>No. of Fund Units Beneficially Owned, Controlled or Directed</b>
David Brown <sup>(2)(3)</sup> Winnipeg, Manitoba, Canada <i>Proposed Director</i>	Director, New Boyd	President and CEO of Richardson Capital and Managing Director of RBM Capital Limited	2012	6,332
Brock Bulbuck Winnipeg, Manitoba, Canada <i>Proposed Director</i>	Director and Executive Chairman, New Boyd	CEO (Executive Chairman) of New Boyd <sup>(4)</sup>	2002	24,570
Allan Davis <sup>(1)(2)</sup> Winnipeg, Manitoba, Canada <i>Proposed Chairman and Director</i>	Chairman and Director, New Boyd	Chairman of the Board, New Boyd	2005	4,200

<b>Name</b>	<b>Offices Held in New Boyd</b>	<b>Principal Occupation</b>	<b>Director Since</b>	<b>No. of Fund Units Beneficially Owned, Controlled or Directed</b>
Gene Dunn <sup>(2), (3)</sup> Winnipeg, Manitoba, Canada <i>Proposed Director</i>	Director, New Boyd	Chairman of the Board, Monarch Industries Ltd.	2002	10,605
Robert Gross <sup>(1), (3)</sup> New York, New York, U.S. <i>Proposed Director</i>	Director, New Boyd	Retired Executive	2012	10,088
Violet Konkle <sup>(1), (3)</sup> Toronto, Ontario Canada <i>Proposed Director</i>	Director, New Boyd	Retired Executive	2017	280
Timothy O'Day Chicago, Illinois, U.S. <i>Proposed Director</i>	CEO and Director, New Boyd	President (CEO) of New Boyd <sup>(4)</sup>	2012	53,174
Sally Savoia <sup>(1), (3)</sup> Orlando, Florida, U.S. <i>Proposed Director</i>	Director, New Boyd	Retired Executive	2015	5,000

Notes:

- (1) Member of the Governance and Nomination Committee. Ms. Savoia is the Chair of the Governance and Nomination Committee.
- (2) Member of the Audit Committee. Mr. Brown is the Chair of the Audit Committee.
- (3) Member of the Compensation Committee. Mr. Dunn is the Chair of the Compensation Committee.
- (4) See the news release dated August 13, 2019 announcing the CEO succession plan filed by the Fund on SEDAR.

Each of the anticipated directors and executive officers has held the same principal occupation, or in the case of the executive officers, other executive offices, with the Fund Group or its predecessors, for the five preceding years except for (i) Ms. Konkle and Ms. Savoia who joined the Fund as a Trustee on May 12, 2017 and May 25, 2015, respectively; (ii) Mr. Bulbuck, who currently acts the CEO of the Fund; and (iii) Mr. O'Day, who currently acts as the President and

COO of the Fund. See “Business of the Annual Meeting – Appointment of Trustees – Election of Trustees by Unitholders” in the 2019 Annual Meeting Circular.

Immediately after giving effect to the Arrangement, it is anticipated that the individuals named in the above table and their associates, as a group, will beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of approximately 221,578 New Boyd Common Shares<sup>1</sup>, representing approximately 1.1% of the issued and outstanding New Boyd Common Shares.

## MANAGEMENT’S DISCUSSION AND ANALYSIS

As at the date of this Information Circular, New Boyd has not conducted any business or operations, other than to execute the Arrangement Agreement, and has issued 10 New Boyd Common Shares in connection with its organization. In the event the Arrangement is completed, New Boyd will own, directly and indirectly, all of the Fund Units. New Boyd’s financial position, risks and outlook after the Arrangement is completed will be substantially the same as those outlined in the management’s discussion and analysis and AIF incorporated by reference in the Information Circular. It is anticipated that New Boyd will account for the Arrangement transaction as a continuity of interests. Since there is no substantive change in the respective owners’ interests in the Fund, the financial statements of New Boyd will reflect the assets and liabilities of the Fund at their respective carrying amounts.

New Boyd will agree to indemnify its directors and officers, to the extent permitted under corporate law, against costs and damages incurred by the directors and officers as a result of lawsuits or any other judicial, administrative or investigative proceedings in which the directors and officers are sued as a result of their services. New Boyd’s directors and officers will be covered by directors’ and officers’ liability insurance.

Readers are encouraged to review the management’s discussion and analysis of the Fund, which has been filed on SEDAR at [www.sedar.com](http://www.sedar.com) and which is incorporated by reference in the Information Circular.

## DESCRIPTION OF SHARE CAPITAL

### New Boyd Common Shares

Holders of New Boyd Common Shares are entitled to receive notice of any meetings of shareholders of New Boyd and to attend and to cast one vote per New Boyd Common Shares at all such meetings. Holders of New Boyd Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the New Boyd Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of New Boyd Common Shares are entitled to receive on a *pro-rata* basis such dividends, if any, as and when declared by New Boyd’s board of directors at its discretion from

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<sup>1</sup> Does not include the Fund Units issuable to Brock Bulbuck, the CEO of the Fund, and Timothy O’Day, the President of the Fund, upon the exercise of their options. See “Business of the Special Meeting – Pre-Arrangement Steps – Exercise of Options”, but does include the 107,329 BGHI Class A Common shares owned by 4612094, which are then exchanged for New Boyd Common Shares pursuant to the Arrangement.

funds legally available therefor and upon the liquidation, dissolution or winding up of New Boyd are entitled to receive on a pro-rata basis the net assets of New Boyd after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of New Boyd Common Shares with respect to dividends or liquidation. The New Boyd Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

### PRO FORMA CONSOLIDATED CAPITALIZATION

The following table sets forth the unaudited pro forma consolidated capitalization of New Boyd as at December 31, 2018, both before and after giving effect to the completion of the Arrangement.

<b>Designation (Authorization)</b>	As at December 31, 2018 (before giving effect to the Arrangement)	As at December 31, 2018 (after giving effect to the Arrangement <sup>(1)(2)</sup> )(‘000)
Cash	\$10	\$64,288
Long-term debt	Nil	\$288,159
Share capital	\$10	\$511,721
Retained earnings	Nil	\$14,038

Notes:

- (1) Assumes that the Corporation was incorporated as of December 31, 2018 and no Fund units (other than Fund units held by the Fund or its subsidiaries) are redeemed or cancelled prior to the Effective Date.
- (2) Assumes that no BGHI Class A Common Shareholder has exercised any right of dissent.

### DIVIDENDS

New Boyd has not declared or paid any dividends since its incorporation and will not declare any dividends prior to completion of the Arrangement. The board of directors of New Boyd is expected to adopt a quarterly dividend policy upon completion of the Conversion. It is currently anticipated that the dividend declared by the board of directors of New Boyd for the first fiscal quarter following the Arrangement will be equal to or better than the distributions declared and paid by the Fund for the fiscal quarter immediately preceding the Arrangement. The amount of any dividends payable by New Boyd will be at the discretion of the board of directors of New Boyd and will be established on the basis of New Boyd’s earnings, financial requirements for its consolidated operations, the satisfaction of solvency tests imposed by the CBCA for the declaration and payment of dividends and other relevant factors.

## PRIOR SALES

Prior to the Effective Date, New Boyd will not issue any securities from its share capital other than the 10 New Boyd Common Shares currently held by the Fund issued at an aggregate price of \$10.00.

The New Boyd Common Shares will be issued to Fund Unitholders and BGHI Class A Common Shareholders on the Effective Date (other than BGI and those BGHI Class A Common Shareholders who exercise Dissent Rights) in consideration for the transfer of their Fund Units and BGHI Class A Common shares to New Boyd as part of the Arrangement, on the basis of one New Boyd Common Share for each Fund Unit and one New Boyd Common Share for BGHI Class A Common share so transferred.

## PRINCIPAL SHAREHOLDERS

As of the date hereof, the Fund is the sole shareholder of New Boyd, holding 10 New Boyd Common Shares. To the knowledge of the Trustees and senior officers of the Fund, as of October 14, 2019, there is no beneficial owner of, nor any person or company who exercises control or direction over, Fund Units carrying more than 10% of the votes attached to the outstanding Fund Units.

## EMPLOYEES

As at the date of this Information Circular, New Boyd has no employees. As at the date of this Information Circular, the Fund Group has approximately 9,583 full-time employees and 113 part-time employees.

## COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

No compensation has been paid by New Boyd to its directors or executive officers and none will be paid until after the Arrangement is completed.

## CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

### Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Fund, and other than as disclosed below, none of the persons anticipated to be directors or executive officers of New Boyd (a) are, as at the date hereof, or have been, within the 10 years before the date of the Information Circular, a director, chief executive officer or chief financial officer of any company that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an “**Order**”) that was issued while the person was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the person ceased to be a director, chief executive officer or chief financial officer 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) are, as at the date of the Information Circular, or have been within 10 years before the date of the Information Circular, a director or executive officer of any company that, 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, receiver manager or trustee appointed to hold its assets, or (c) have, within the 10 years before the date of the Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person.

Dave Brown, a Trustee of the Fund, resigned as a director of each of 2154331 Canada Inc. (formerly Mechtronix Systems Inc.) and 6941249 Canada Inc. (formerly Mechtronix World Corporation) on March 26, 2012. Those companies were each a petitioner/debtor in a proposal made under the Bankruptcy and Insolvency Act (Canada) on or about the 16th day of May, 2012.

#### Penalties or Sanctions

To the knowledge of the Fund, none of the persons anticipated to be directors or executive officers of New Boyd, nor any personal holding company thereof owned or controlled by them, (i) has been subject to 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 (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

#### CORPORATE GOVERNANCE

It is currently anticipated that each of the existing committees of the Fund will become committees of the board of directors of New Boyd. See “Directors and Executive Officers” in this Appendix “E”. It is anticipated that the mandates and policies of New Boyd in respect of corporate governance matters will be substantially similar to those of the Fund. For a description of corporate governance matters relating to the Fund, see “Statement of Governance Practices” in the 2019 Annual Meeting Circular. For a description of the Audit Committee of the Fund, see “Audit Committee” in the AIF which is incorporated by reference in this Information Circular.

Under the Fund Declaration of Trust, a quorum for a meeting of unitholders required at least two (2) Unitholders (not including BGHI) present in person and holding or representing by proxy not less than 5% of all issued and outstanding Units entitled to vote at such meeting. New Boyd will require at least two (2) shareholders present in person and holding or representing by proxy not

less than 25% of all issued and outstanding New Boyd Common Shares entitled to vote at such meeting for a quorum for a meeting of shareholders.

In addition to the foregoing, the Bylaws of New Boyd will:

- (1) Not provide for the Chair of any meeting of the board of directors of New Boyd to have a casting or second vote in the event of a tie.
- (2) Provide that a quorum for a meeting of the board of directors of New Boyd will be a majority of the directors then in office.
- (3) Not provide for the appointment or allowance of alternate directors.
- (4) Provide for an advance notice policy in accordance with good corporate governance standards and consistent with ISS and Glass Lewis policy.

#### CONFLICTS OF INTEREST

Except as disclosed in the Information Circular or in this Appendix “E”, none of the persons anticipated to be directors or executive officers of New Boyd has any existing or potential material conflict of interest with New Boyd or any of its Subsidiaries.

#### RISK FACTORS

Risk factors related to the business of the Fund Group will continue to apply to New Boyd after the Effective Date. In the event the Arrangement is completed, the business and operations of, and an investment in, New Boyd will be subject to various risk factors, including, without limitation, those risk factors set forth in the Information Circular, the management’s discussion and analysis of the Fund and the AIF.

#### LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Other than the proceedings relating to the approval of the Arrangement, and other than as disclosed under “Legal Proceedings” in the AIF, to the knowledge of the Fund Group, there are no legal proceedings to which New Boyd or any member of the Fund Group is a party or to which any of their assets are subject, which are material to New Boyd or the Fund Group, and New Boyd is not aware of any such proceedings that are contemplated.

#### INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the persons anticipated to be directors or executive officers of New Boyd, or any person or company that will be the direct or indirect owner of, or will exercise control or direction over, more than 10% of any class or series of New Boyd’s outstanding voting securities, or any associate or Affiliate of any of the foregoing persons or companies, has or has had any material interest,



direct or indirect, in any past transaction or any proposed transaction that has materially affected or will materially affect New Boyd.

#### AUDITORS, TRANSFER AGENT AND REGISTRAR

##### Auditors

The auditors of New Boyd are Deloitte LLP, Chartered Accountants, 360 Main Street, Winnipeg, Manitoba R3C 3Z3.

##### Transfer Agent and Registrar

The transfer agent and registrar for the New Boyd Common Shares will be Computershare Investor Services Inc. at its principal offices located in Toronto, Ontario.

#### MATERIAL CONTRACTS

The only contract entered into by New Boyd since incorporation that materially affects New Boyd, or to which New Boyd will become a party on or prior to the Effective Date, that can reasonably be regarded as material to a proposed investor in New Boyd Common Shares, other than contracts entered into in the ordinary course of business, is the Arrangement Agreement. A copy of the Arrangement Agreement is attached at Appendix “D” to this Information Circular.

It is anticipated that concurrent with the Arrangement becoming effective, the Fund’s existing credit facility agreement will be assumed by New Boyd either in its current form or in an expanded form, should the existing facility be amended or replaced, in the ordinary course of business, prior to the Effective Date.

For a description of material contracts of the Fund, see the section entitled “Material Contracts” in the AIF, which is incorporated by reference in this Information Circular.

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**QUESTIONS MAY BE DIRECTED TO THE PROXY SOLICITOR**



**North American Toll Free  
1-877-452-7184**

**Collect Calls Outside North America  
416-304-0211**

**Email: [assistance@laurelhill.com](mailto:assistance@laurelhill.com)**