

# Distribution Policy

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The REIT distributes to Unitholders monthly, on or about the fifteenth day in each calendar month, such percentage of the Distributable Income of the REIT for the preceding calendar month as the Trustees determine in their discretion.

The REIT's current intention is to distribute \$0.025 per Unit per month to Unitholders. Monthly distributions will be based on the Trustees' estimate of yearly Distributable Income, subject to adjustment from time to time throughout the year. See the section entitled "Distribution Policy" in BTB's AIF incorporated herein by reference.

Distributions payable to Unitholders pursuant to Article 11 of the Contract of Trust shall be deemed to be distributions of income of BTB REIT (including dividends), net realized taxable capital gains of BTB REIT, BTB REIT capital or other items in such amounts as the Trustees, in their absolute discretion determine and shall be allocated to the Unitholder in the same proportions as distributions received by the Unitholder, subject to the discretion of the Trustees to adopt an allocation method which the Trustees consider to be more reasonable in the circumstances, including in accordance with subsection 7.15.7 of the Contract of Trust. For greater certainty it is hereby declared that any distribution of net realized capital gains of BTB REIT shall include the non-taxable portion of the capital gains of BTB REIT which are included in such distribution.

Any distribution shall be made on a Distribution Date proportionately to persons who are Unitholders as of the close of business on the record date for such distribution which shall be the last Business Day of the calendar month immediately preceding the month in which the Distribution Date falls or such other date, if any, as is fixed by the Trustees in accordance with Section 8.7 of the Contract of Trust. Each year BTB REIT intends to deduct such amounts as are paid or payable to Unitholders for the year as is necessary to ensure that BTB REIT is not liable for income tax under Part I of the Tax Act in the related taxation year.

Distributions may be adjusted for amounts paid in prior periods if the actual Distributable Income for the prior periods is greater than or less than the estimates for the prior periods.

The Contract of Trust provides that the Trustees may declare to be payable and make distributions, from time to time, out of income, net realized capital gains, the capital of BTB REIT or otherwise, in any year, in such amount or amounts and on such dates as the Trustees may determine to persons who are Unitholders at the record date for such distribution.

The Contract of Trust provides that a Unitholder shall have the legal right to enforce payment of any amount which is stated to be payable to a Unitholder hereunder.

# Allocation

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Subject to clause (e) described under “Summary of Contract of Trust – Redemption of Units” unless the Trustees otherwise determine, the amount of

(i) net income of BTB REIT for a Taxation Year, determined in accordance with the provisions of the Tax Act other than paragraph 82(l)(b) and subsection 104(6) and

(ii) net realized capital gains payable to Unitholders shall be allocated to the Unitholders for the purposes of the Tax Act in the same proportion as the total distributions made to Unitholders in the Taxation Year. The Trustees shall in each year make such other designations for tax purposes in respect of Distributable Income and other distributions that the Trustees consider to be reasonable in all of the circumstances.

# Payment of Distribution

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Distributions shall be made by cheque payable to or to the order of the Unitholder or by electronic fund transfer or by such other manner of payment approved by the Trustees from time to time. The payment, if made by cheque, shall be conclusively deemed to have been made upon hand-delivery of a cheque to the Unitholder or to his agent duly authorized in writing or upon the mailing of a cheque by prepaid first-class mail addressed to the Unitholder at his address as it appears on the register of Unitholders unless the cheque is not paid on presentation. The Trustees may issue a replacement cheque if they are satisfied that the original cheque has not been received or has been lost or destroyed upon being furnished with such evidence of loss, indemnity or other document in connection therewith that they may in their discretion consider necessary.

The Trustees shall deduct or withhold from distributions payable to any Unitholder all amounts required by law to be withheld from such distribution and BTB REIT shall remit such taxes to the appropriate governmental authority within the times prescribed by law.

Unitholders who are Non-Residents will be required to pay all withholding taxes payable in respect of any distributions of income by BTB REIT, whether such distributions are in the form of cash or additional Units. In the event of a distribution in the form of additional Units, the Trustees may sell Units of such Unitholder to pay the withholding taxes and to pay all of the Trustees’ reasonable expenses with regard thereto and the Trustees shall have the power of attorney of such Unitholder to do so. Any such sale shall be made on any stock exchange on which the Units are then listed and upon such sale, the affected Unitholder shall cease to be the holder of such Units.

If the Trustees determine that BTB REIT does not have cash in an amount sufficient to make payment of the full amount of any distribution, the payment may include the issuance of additional Units having a value equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution.

# Designations

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The Trustees shall make such designations, determinations and allocations for income tax purposes in respect of amounts paid or payable to Unitholders for such amounts that the Trustees consider to be reasonable, including, without limitation, designations relating to taxable dividends received by BTB REIT in the year on shares of taxable Canadian corporations, net taxable capital gains of BTB REIT in the year and foreign source income of BTB REIT for the year. Where permitted by the Tax Act, the Trustees will make designations under the Tax Act so that the amount distributed to a Unitholder but not deducted by BTB REIT would not be included in the Unitholder's income for the purposes of the Tax Act.