BOYD GROUP INCOME FUND

ANNUAL INFORMATION FORM
FOR FISCAL YEAR ENDED
DECEMBER 31, 2013

March 20, 2014

3570 PORTAGE AVENUE
WINNIPEG, MB   R3K 0Z8

BOYD GROUP INCOME FUND

ANNUAL INFORMATION FORM
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BOYD GROUP INCOME FUND

CORPORATE STRUCTURE

The Fund

Boyd Group Income Fund (the "Fund") is an unincorporated open-ended mutual fund trust established under the laws of the Province of Manitoba. The Fund was created pursuant to a declaration of trust dated as of December 16, 2002 between the initial trustees of the Fund (the "Trustees") and 4612094 Manitoba Inc. as the initial unitholder of the Fund. On February 25, 2003 the Trustees and the initial unitholder of the Fund entered into an amended and restated declaration of trust dated as of February 25, 2003 (the declaration of trust, as amended and restated being referred to herein as the "Declaration of Trust"). The Declaration of Trust was further amended by the Trustees in August, 2003 to permit the issuance of fractional interests in Units.

The principal and head office of the Fund is located at 3570 Portage Avenue, Winnipeg, Manitoba, R3K 0Z8.

Plan of Arrangement

The Fund was established for the primary purpose of acquiring and holding a controlling interest in The Boyd Group Inc. ("Boyd" or "Company").

On December 16, 2002, the Board of Directors of Boyd, among other things, approved a plan of arrangement (the "Arrangement") under *The Corporations Act* (Manitoba), pursuant to which Boyd would, with the approval of the Manitoba Court of Queen's Bench and the securityholders of Boyd, reorganize the way in which the equity of Boyd's business was held by its securityholders into an income trust structure.

After having obtained the approval of its securityholders and the Manitoba Court of Queen's Bench, Boyd reorganized on February 28, 2003 into an income trust structure as more particularly described beginning at page 40 of the Prospectus of the Fund dated February 14, 2003 (the "Prospectus"), under the heading "Fund and Arrangement", which excerpt is incorporated by reference herein.

Structure of the Fund

Pursuant to the Arrangement, the Fund became the holder of all of the issued and outstanding Class I shares of Boyd ("Boyd Class I Shares") and Boyd Group Holdings Inc. ("BGHI") became the holder of all of the issued and outstanding Class II shares of Boyd ("Boyd Class II Shares"). Boyd's authorized and issued share capital also included an unlimited number of Class III shares ("Boyd Class III Shares"), none of which were issued on the date the Arrangement became effective. For a more detailed description of Boyd's authorized and issued share capital, please see page 30 of the Prospectus, under the heading "Description of Share Capital", which description is incorporated by reference herein. On May 30, 2005 the articles of Boyd were amended to modify the attributes of the Class I Shares. The change was done to enable the Fund and Boyd to change the level of distributions and dividends and maintain equality between unitholders of the Fund and shareholders of BGI.[1] On October 31, 2007 the articles of Boyd were amended to create an unlimited number of Class IV shares ("Boyd Class IV Shares") in order to facilitate the resumption of distributions. For a more detailed description of the Fund's authorized and issued unit capital, please see Note 23 to the consolidated financial statements included on page 82 of the Fund's 2013 Annual Report, which description is incorporated by reference herein.

As of March 20, 2014 there were 14,936,883 Units of the Fund issued and outstanding.

As of March 20, 2014 there were 14,936,883 Class I Shares and 2,062,863 Class II Shares of Boyd issued and outstanding, all of which are owned by the Fund and BGHI, respectively. There are presently no issued and outstanding Class III Shares. The Company also has 53,001 issued and outstanding Class IV Shares, 1,000 of which were issued during 2007, to facilitate the resumption of distributions and 10,450 Shares that were issued in 2011 as part of the bought deal public unit offering completed on September 27, 2011 and 5,000 of which were issued in 2012 as part of the convertible debenture offering completed on December 19, 2012. An additional 35,551 Class IV shares were issued in 2013 in connection with the distribution of proceeds of an equity offering by the fund completed on October 15, 2013. The Fund owns 100% of the issued and outstanding Class I and Class IV Shares of Boyd. BGHI owns 100% of the issued and outstanding Class II Shares of Boyd. BGHI is controlled by the Fund.

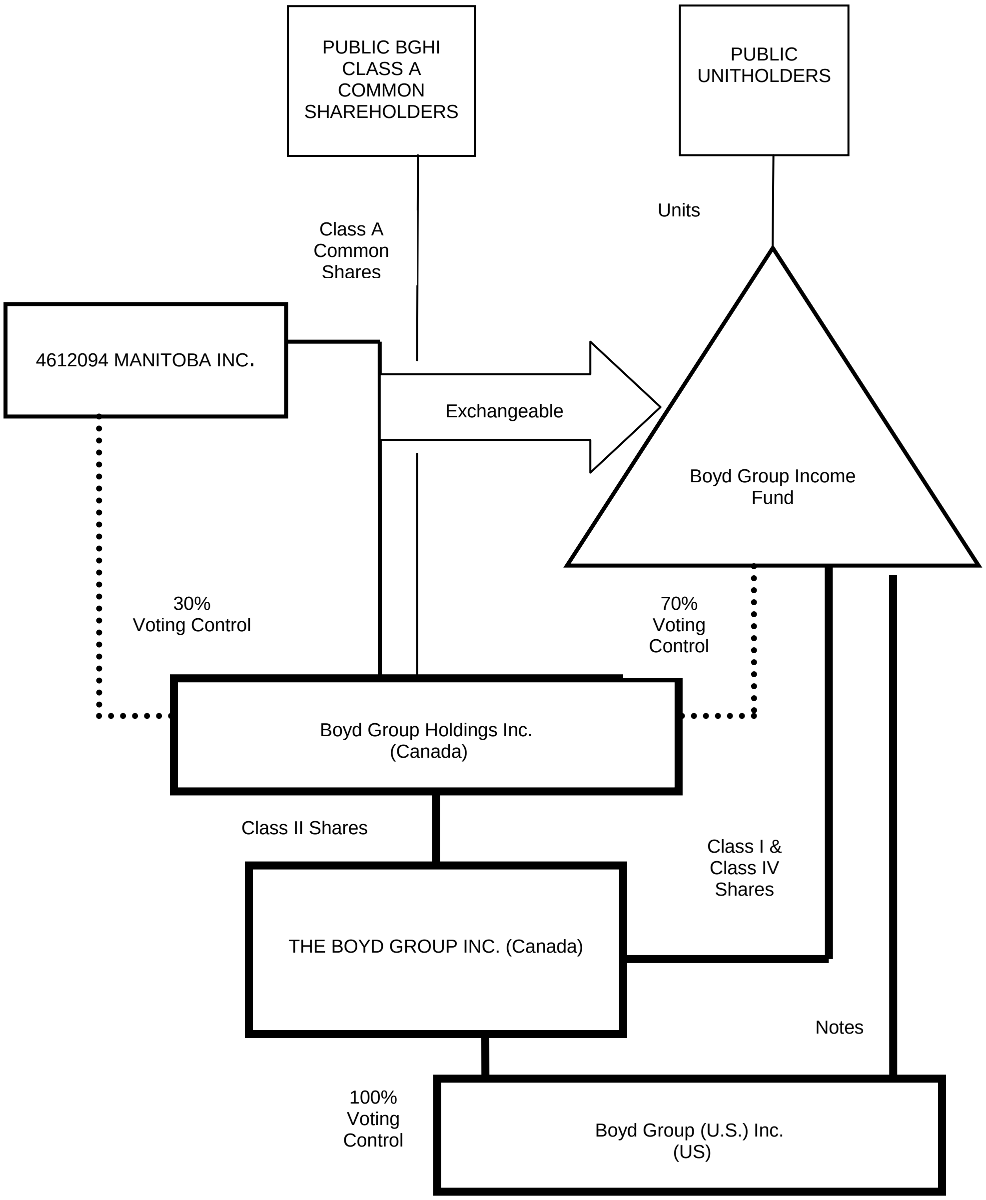
The authorized capital of BGHI as of March 20, 2014 consisted of 374,750 Class A common shares, all of which are outstanding as fully paid and non-assessable shares in the capital of BGHI, an unlimited number of Class B common shares of which 1,688,113 are issued and outstanding and an unlimited number of Voting Shares of which 100,000,000 are issued and outstanding. The Fund does not own any Class A common shares of BGHI but owns 70,000,000 Voting Shares. As a result, the Fund owns approximately 68.6% of the voting securities of BGHI. 25,431 Class A common shares of BGHI are held by Boyd resulting from the repurchase

[1] In conjunction with the Fund's decision to reduce distributions (see page 8 of the Fund's 2006 Annual Report under the heading Distributable Cash for a description of the discontinuance of distributions) the articles of Boyd were amended on May 30, 2005 to create a new class of shares, being New Class I shares and converting each existing Class I share into a New Class I share. The former Class I shares provided that other than the preferential dividends of 0.005 per Class I share no additional dividends could be declared on Class I shares in any year until Class II shares of Boyd had been paid, or a sum set aside for payment, in that year, a dividend equal to 13.25% per share calculated on a share value of $8.60, such amount being anticipated to be the distribution amount that would be paid to unitholders pursuant to receipt of payments by the Fund pursuant to interest payments on notes of Boyd payable to the Fund. As interest rates on the notes were decreased in connection with reduced distribution payments it was determined to be equitable to replace the existing Class I shares with New Class I shares which provide that dividends on Class I shares , in addition to the preferential 0.005 dividend , could not be declared and paid unless and until a dividend had been declared and paid, or a sum set aside for payment, on each Class II share of Boyd in an amount not less than the amount paid or set aside for payment on each unit of the Fund. This amendment has the affect of continuing to have dividends, as and when declared on each Class II share of Boyd (and subsequently paid on to the shareholders of BGHI) be equal in amount to distributions paid on each unit of the Fund, regardless of the level of distributions on units of the Fund, after which dividends could be declared and paid on New Class I shares and Class II shares in a pro rata amount.

of shares from previous vendors of businesses acquired in 2000 and 2001. All of the issued and outstanding Class B common shares of BGHI are owned by Boyd. As a result, Boyd holds 1.7% of the voting securities as a reciprocal investment in BGHI. The remaining Class A common shares of BGHI are owned by former shareholders of Boyd who received them pursuant to and as contemplated in the Plan of Arrangement.

As of March 20, 2014, the Fund holds $41.8 million in 6.5% promissory notes due January 1, 2020, $6.8 million in 8.58% notes due January 1, 2024 $25.0 million in 8.58% notes due January 1, 2024 and $30.0 million in 8.58% notes also due January 1, 2024, (“Notes”) from The Boyd Group (U.S.) Inc. – a subsidiary of Boyd. As part of a corporate restructuring between The Boyd Group (U.S.) Inc., Boyd and the Fund, on January 1, 2011, the Notes which were previously loaned to Boyd were repaid and the Fund then loaned $41.8 million to The Boyd Group (U.S.) Inc. as evidenced by the Notes. A new note in the amount of $6.8 million bearing interest at 10.8%, due September 27, 2016, was entered into as a result of the bought deal public unit offering which occurred on September 27, 2011. On December 19, 2012 in connection with the convertible debenture offering, a new 7.8% $25 million promissory note, due December 19, 2019 was issued. At the same time the $6.8 million note was amended for a reduction in the interest rate from 10.8% to 7.8%. On October 22, 2013 in connection with the bought deal public unit offering which occurred on October 15, 2013 another new note for $30.0 million at 8.58% was issued. At the same time the $6.8 million note was further amended for an increase in interest rate to 8.58% and an increase in maturity date to January 1, 2024. Also, at the same time, the $41.8 million note was amended to reduce the interest rate to 6.5% and increase the maturity date to January 1, 2020 and the $25.0 million note was amended to increase the interest rate to 8.58% and extend the maturity date to January 1, 2024. See page 18 of this report under the heading “Distributions” and page 14 of the Fund’s 2013 Annual Report, under the heading “Boyd Group Income Fund”, for a more detailed description of the Notes, which description is incorporated by reference herein.

The following diagram sets forth the organizational structure of the Fund and Boyd:



Boyd Corporate Structure as at December 31, 2013 is *:

- Boyd Group Income Fund –
  - The Boyd Group Inc.
    - The Boyd Group (U.S.) Inc.
      - The Gerber Group Inc.
        - Cars Collision Center, LLC.
        - True2Form Collision Repair Centers, Inc.
          - True2Form Collision Repairs Centers, LLC
      - All-Consolidated Auto Rebuilders, Inc.
      - Service Collision Center (Georgia), Inc.
      - Gerber Collision & Glass (Kansas), Inc.
      - Service Collision Center (Oklahoma), Inc.
      - Collision Service Repair Center, Inc
      - AMPB Acquisition Corp.
      - Kingswood Collision, Inc.
      - Gerber Collision (Northeast), Inc.
      - Gerber Collision (Colorado) Inc.
      - Gerber Real Estate Inc.
      - Gerber Payroll Services, Inc.
      - Master Collision Repair, Inc.
        - Autocrafters Collision Repair, Inc.
        - Walker Collision Repair, Inc.
      - HC Capital Group Inc.
        - Hansen Collision Inc.
        - Hansen Collision of Allendale, Inc.
        - Hansen Collision of Alpine, Inc.
        - Hansen Collision of Battle Creek, Inc.
        - Hansen Collision of Benton Harbor, Inc.
        - Hansen Collision of Big Rapids, Inc.
        - Hansen Collision of Blue Star Hwy, Inc.
        - Hansen Collision of Cadillac, Inc.
        - Hansen Collision of Elkhart, Inc.
        - HCFGR, Inc.
        - Hansen Collision Fleet-Kalamazoo, Inc.
        - Hansen Collision of Fremont, Inc.
        - Hansen Collision of Grand Rapids, Inc.
        - Hansen Collision of Grand Rapids South, Inc.
        - Hansen Collision of Holland, Inc.
        - Hansen Collision of Holland North, Inc.
        - Hansen Collision of Hudsonville, Inc.
        - Hansen Collision of Kalamazoo, Inc.
        - Hansen Collision of Kentwood, Inc.
        - Hansen Collision of Manistee, Inc.
        - Hansen Collision of Muskegon, Inc.
        - Hansen Collision of Muskegon North, Inc.
        - Hansen Collision of Rockford, Inc.
        - Hansen Collision of Traverse City, Inc.
        - Hansen Collision of Wyoming, Inc.
        - Fresh Air Collision LLC

Gerber Glass Holdings Inc.
- Gerber Glass LLC
- Glass America LLC
  - Gerber Glass (District 1), LLC
  - Gerber Glass (District 2), LLC
  - Gerber Glass (District 3), LLC
  - Gerber Glass (District 4), LLC
  - Gerber Glass (District 5), LLC
    - S&L Auto Glass, LLC
  - Gerber Glass (District 6), LLC
  - Gerber Glass (District 7), LLC
  - Gerber Glass (District 8), LLC
  - Glass America Southeast LLC
  - Glass America Midwest LLC
  - Hansen Auto Glass, Inc.
  - Auto Glass Only, LLC
    - Glass America Colorado LLC
    - Glass America Florida LLC
    - Glass America Georgia LLC
    - Glass America Illinois LLC
    - Glass America Massachusetts LLC
    - Glass America Michigan LLC
    - Glass America Midwest Burlington LLC
    - Glass America Midwest Fort Meyers LLC
    - Glass America Midwest Lewis Center LLC
    - Glass America Midwest Lindenhurst LLC
    - Glass America Midwest North Canton LLC
    - Glass America Missouri LLC
    - Glass America New York LLC
    - Glass America Ohio LLC
    - Glass America Pennsylvania LLC
    - Glass America Pompano-Florida LLC
    - Glass America Texas LLC
    - Glass America Vermont LLC
    - Glass America Alabama LLC
    - Glass America Kentucky LLC
    - Glass America Maryland LLC
    - Glass America Virginia LLC

* Indented line items indicate subsidiaries of entity listed above.

GENERAL DEVELOPMENT OF THE BUSINESS

Activities 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 Boyd 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 holders from time to time of Units ("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 Boyd 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 Boyd, BGHI or any affiliate of Boyd, BGHI or the Fund pursuant to any good faith debt for borrowed money incurred by Boyd or an affiliate, as the case may be, and pledging securities issued by Boyd, 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 Income Tax Act (Canada) (the "Tax Act") or result in the Units constituting "foreign property" for the purposes of Part XI of the Tax Act.

Convertible Debt Offerings

On December 19, 2012, the Fund issued $30,000,000 aggregate principal amount of convertible unsecured subordinated debentures ("the Debentures") due December 31, 2017 with a conversion price of $23.40. On December 24, 2012, as allowed under provisions of the agreement to issue the Debentures, the Underwriters purchased an additional $4,200,000 aggregate principal amount of Debentures increasing the aggregate gross proceeds of the Debenture Offering to $34,200,000.

The Debentures bear interest at an annual rate of 5.75% payable semi-annually, and are convertible at the option of the holder, into units of the Fund at any time prior to the maturity date and may be redeemed by the Fund on or after December 31, 2015 provided that certain thresholds are met surrounding the weighted average market price of the units at that time. On redemption or maturity, the Debentures may at the option of the Fund be repaid in cash or subject to regulatory approval, units of the Fund. See page 27 of the Fund's 2013 Annual Report, under the heading "Debt Financing", for a more detailed description of the exchangeable note facilities, which description is incorporated by reference herein

Significant Acquisitions

On June 30, 2011, the Company acquired Cars Collision Center of Colorado, LLC and Cars Collision Center, LLC (together, "Cars"). Cars was a private company operating 14 locations in Illinois, eight locations in northern Indiana, and six locations in Colorado.

On January 3, 2012, the Company acquired Master Collision Repair, Inc. ("Master") a multi-location collision repair company operating eight locations in the Tampa, Florida market area under the trade name "Master Collision Repair".

On July 3, 2012, the Company acquired the operating assets of Pearl Auto Body ("Pearl"), a multi-location collision repair company operating six locations in the Colorado market under the trade name "Pearl Auto Body"

On November 16, 2012, the Company acquired all of the operating assets of The Recovery Room ("TRR"), a multi-location collision repair company with 11 locations in central Florida operating under the trade name "The Recovery Room Collision Centers".

On November 30, 2012, the Company acquired Ellis Hopkins, Inc., Timron Holdings Inc., and S&L Auto Glass Inc. (collectively "Autocrafters"), operating 14 locations under the "Autocrafters Collision Repair" and "Walker Collision Repair" trade names in the Jacksonville area of north Florida, with extended operations in Tallahassee and Gainesville, Florida,.

On May 31, 2013, the Company acquired a controlling interest in the retail auto glass business of Glass America, which operated 61 retail auto glass locations across 23 U.S. states under the trade names of "Glass America" and "Auto Glass Services"

On September 3, 2013, the Fund acquired all of the shares of HC Capital Group, Inc., which owned and operated 25 collision repair centers in western Michigan and northeastern Indiana under the trade name “Hansen Collision and Glass”

See page 28 of the Fund’s 2013 Annual Report, under the heading “Acquisitions”, and Note 5 “Acquisitions” to the audited consolidated financial statements of the Fund included on page 60 of the Fund’s 2013 Annual Report for a detailed description of the acquisition, which descriptions are incorporated by reference herein.

Distributions

Effective November 30, 2005, the Fund, the Company and BGHI suspended cash distributions to unitholders and Class A common shareholders. The Fund determined the suspension of distributions was in the best interests of unitholders and shareholders as it would allow the Company to strengthen its balance sheet and improve its cash position and financial flexibility. On November 13, 2007 at a meeting of the Board of Trustees a decision was made to reinstate distributions with the first payment being made on December 21, 2007 to unitholders and Class A common shareholders of record on November 30, 2007. See page 18 of this report under the heading “Distributions” and page 15 of the Fund’s 2013 Annual Report, under the heading “Distributable Cash” for a more detailed description of distributions which description is incorporated by reference, herein.

Trading Partners

On February 14, 2006, by agreement with certain key trading partners, Boyd terminated its then prepaid material rebate agreement concurrent with entering into a new long term exclusive supply agreement with its current suppliers. Replacement prepaid rebates received from the new suppliers were used to repay all obligations associated with the prior agreement. On July 30, 2010, June 30, 2011, January 3, 2012, November 16, 2012, November 30, 2012 and August 30, 2013 under new addendums to its existing supply agreement, Boyd received enhanced prepaid rebates from its trading partners.

In 2013 Boyd signed an amendment of its agreement with its paint supplier amending its current paint supply arrangement away from a pre-purchase rebate system to a higher value post-purchase discount system. The amendment allowed Boyd to derive the benefit, effective October 1, 2013, of the higher back-end purchase discounts. As a result of this amendment, the Fund realized the accretive nature of this restructured arrangement beginning in its fourth quarter of 2013. The original amendment was in effect for a period to January 31, 2014 while Boyd validated the market competitiveness of the back-end discount. The application of the amendment was further extended to March 31, 2014 to allow Boyd to finalize a definitive agreement with its paint supplier. The terms of the amendment required the Fund to repay the unamortized prepaid rebates in the fourth quarter of 2013.

See page 27 of the Fund’s 2013 Annual Report, under the heading “Trading Partner Funding – Prepaid Rebates and Loans”, for a detailed description of the new arrangements, which descriptions are incorporated by reference herein.

New Debt Arrangements

On February 14, 2006, Boyd obtained, and fully drew, a senior term debt facility under a new debt agreement with a U.S. bank for $13.0 million U.S. On November 9, 2012, the facility was amended and was supported by a five year promissory note due October 31, 2017 with quarterly principal repayments. The last installment would also include the remaining principal amount of the term loan unless the facility is extended. Subject to certain conditions, the Company had the option to renew the facility, on terms not less favourable, for an additional four years. This note was repaid on December 20, 2013.

On July 30, 2010, Boyd obtained, and fully drew a new tranche of U.S. senior term debt with its U.S. bank for approximately $7.0 million U.S. On November 9, 2012 the facility was amended and was supported by a five year promissory note due October 31, 2017 with repayments of principal beginning October 31, 2013. Subject to certain conditions, the Company had the option to renew the facility, on the then current market terms, for an additional eight years which include specified quarterly instalment amounts. This note was repaid on December 20, 2013.

On June 30, 2011, Boyd obtained, and fully drew a new tranche of U.S. senior term debt with its U.S. bank for approximately $6.7 million U.S. On November 9, 2012 the facility was amended and was supported by a five year promissory note due October 31, 2017 with repayments of principle beginning October 31, 2014. Subject to certain conditions, the Company had the option to renew the facility, on the then current market terms, for an additional nine years which include specified quarterly instalment amounts. This note was repaid on December 20, 2013.

On November 9, 2012 the Company obtained, and fully drew a fourth tranche of U.S senior term debt facility with its U.S. bank for approximately $8.8 million U.S. The facility was supported by an initial five year, interest only, promissory note due October 31, 2017. Subject to certain conditions, the Company had the option to renew the facility, at the then current market terms, for up to an additional ten years with quarterly principal repayments beginning on January 31, 2016. This note was repaid on December 20, 2013.

During 2012 and up to December 20, 2013 the Company maintained a Canadian operating line facility of $16,000,000. The agreement was collateralized by a General Security Agreement and subsidiary guarantees, with incentive priced interest rates and is subject to customary terms, conditions, covenants and other provisions for an income trust. On December 20, 2013 this operating line facility was cancelled and replaced with a new revolving credit facility.

On December 20, 2013, the Company entered into a new five year $100 million U.S. revolving credit facility, with an accordion feature which can increase the facility to a maximum of $135 million U.S. The new facility is with a syndicate of Canadian and U.S. banks and is secured by the shares and assets of the Company as well as guarantees by the Fund and BGHI. The interest rate is based on a pricing grid of the Fund's ratio of total funded debt to EBITDA as determined by the credit agreement. The Company can draw the facility in either the U.S or in Canada, in either U.S. or Canadian dollars and can be drawn in tranches as required. Tranches bear interest only and are not repayable until the maturity date but can be voluntarily repaid at any time. The Company has the ability to choose the base interest rate between Prime, Bankers Acceptances ("BA") or London Inter Bank offer Rate ("LIBOR"). The total syndicated facility includes a swing line up to a maximum of $3 million in Canada and $7 million in the U.S.

On December 20, 2013, using funds from the new debt facility, all previous amounts borrowed under the Company's U.S senior term facility were repaid, without penalty, using available cash and all security for this term facility was released.

For a detailed description of the new debt arrangement, which descriptions are incorporated by reference herein, see page 27 of the Fund's 2013 Annual Report, under the heading "Debt Financing".

Glass Business Arrangement

Effective January 1, 2011, a subsidiary of Boyd entered into an agreement that provided a member of its U.S. management team the opportunity to participate in the future growth of the Fund's U.S. glass business. Boyd's subsidiary continued to control the assets and operations of its U.S. glass business but the agreement allowed for participation by this individual in earnings and value in excess of the historical levels. At any point beyond three years from the inception of the agreement, either the individual, or the Company, had the right to trigger a sale of the glass business back to the Boyd subsidiary.

On May 31, 2013, the Company acquired a controlling interest in the retail auto glass business of Glass America, Inc. ("Glass America"), which operated 61 retail auto glass locations across 23 U.S. states under the trade names of Glass America and Auto Glass Services. The Fund and its operating partner in its glass business each contributed their interests in their existing U.S. auto glass business ("Gerber Glass") on a relative valuation basis, along with a $6.25 million U.S. cash equity contribution into a new entity and received a combined equity interest of 70%. Boyd funded $5.25 million U.S. of the cash equity contribution and holds 55.19% of the new entity, as well as operating and Board control positions. Boyd's operating partner funded $1.0 million U.S. of the cash equity contribution and holds 14.81% of the new entity. The shareholder of Glass America ("GA Contributor") contributed the business of Glass America on a relative valuation basis for a 30% non-controlling interest position. The cash equity contributions by Boyd and its operating partner were used to pay off third party debt of Glass America. In connection with the acquisition, the GA Contributor was issued a put option, which if exercised would obligate Boyd to purchase the non-controlling interest ownership at agreed upon valuation multiples as early as June 1, 2015. At the same time Boyd obtained a call option, which would require the GA Contributor to sell its non-controlling interest ownership to Boyd at agreed upon valuation multiples as early as December 1, 2016. In connection with the Glass America acquisition, the Company terminated its original put option agreement with its glass operating partner and issued a new put option. The new put option is restricted until December 1, 2016 and is exercisable anytime thereafter by the glass operating partner. The put option may be exercised before December 1, 2016 upon the occurrence of certain unusual events such as a change of control or resignation of the glass operating partner. Under the call and put options, Boyd will have the option, but not the obligation, to pay the purchase price by delivery of Boyd units of a value equal to the purchase price.

DESCRIPTION OF THE BUSINESS

The Fund

See the above description of the Fund's operations and activities under the heading "General Development of the Business".

Boyd

General

By number of locations, Boyd is the largest operator of non-franchised collision repair centres in North America and one of the largest operators measured by sales. The Company operates locations in five Canadian provinces under the trade name Boyd Autobody & Glass (http://www.boydautobody.com), as well as in 15 U.S. states under the trade names Gerber Collision & Glass (http://www.gerbercollision.com) and Hansen Collision. The Company is also a major retail auto glass operator in the U.S. with locations across 28 U.S. states under the trade names Gerber Collision & Glass, Glass America, Auto Glass Services, Auto Glass Authority, S&L Glass and Hansen Auto Glass. The Company also operates Gerber National Glass Services, an auto glass repair and replacement referral business with approximately 3,000 affiliated service providers throughout the United States.

Principal Markets

Boyd provides collision repair services to individual vehicle owner, fleet and lease customers; however, the highest percentage of the Company's revenue is derived from insurance-paid collision repair services. In three of the Canadian provinces where the Company operates, government-owned insurance companies have, by legislation, either exclusive or semi-exclusive rights to provide insurance to the Company's customers. Sales generated in these three markets represent approximately 8% of the Company's total sales. Although the Company's services in these markets are predominately paid for by these government-owned insurance companies, the Company's customers (automobile owners) have freedom of choice of repair provider. In markets where non-government owned insurance companies are predominant, formal relationships with insurance companies such as Direct Repair Programs ("DRPs"), either at the local or national level, play an important role in generating sales volumes for the Company. Although automobile owners still have the freedom of choice of repair provider, that choice can be influenced by the insurance companies with DRPs. Of the top five non-government owned insurance companies that the Company does business with, which in aggregate account for approximately 48% of total sales, one insurance company represents approximately 17% of the Company's total sales, while a second insurance company represents approximately 14%. Emphasis is placed by Boyd on establishing and maintaining these referral arrangements and Boyd continues to work at developing and strengthening its relationships with insurance carriers in these markets, particularly in the United States.

The following table shows Boyd's percentage of sales in Canada and the United States during its three fiscal years ended December 31, 2011, 2012 and 2013.

Period Ended	**Percentage of Sales in Canada**	**Percentage of Sales in United States**
December 31, 2011	21.1%	78.9%
December 31, 2012	17.1%	83.9%
December 31, 2013	13.9%	86.1%

The following table shows Boyd's number of employees in Canada and the United States during its three fiscal years ended December 31, 2011, 2012 and 2013.

Period Ended	**Number of Employees in Canada**	**Number of Employees in United States**
December 31, 2011	480	2,320
December 31, 2012	479	2,787
December 31, 2013	575	3,595

Competitive Conditions

The collision repair industry in North America is estimated by Boyd to represent approximately $30 to 40 billion (U.S.) in annual revenue. The industry is highly fragmented, consisting primarily of small independent family owned businesses operating in local markets. To date, only a relatively small number of multi-unit collision repair operators, growing in part through acquisition, have emerged in North America. It is estimated that car dealerships have approximately 23% of the total market. It is believed that multi-unit collision repair operators with greater than $20 million in annual revenues (including multi-unit car dealerships), now have approximately 15% of the total market.

The industry is very competitive. There appears to be a growing trend among major insurers in both the public and private insurance markets toward developing performance-based measurements in selecting collision repair partners. In Alberta, British Columbia and in the United States, where private insurers operate, a greater emphasis is placed on establishing and maintaining DRP referral arrangements with insurance companies. Boyd continues work at developing and strengthening its DRP relationships with insurance carriers in both Canada and the United States. DRP's are established between insurance companies and collision repair shops to better manage automobile repair claims and increase levels of customer satisfaction. Insurance companies select collision repair operators to participate in their programs based on integrity, convenience and physical appearance of the facility, quality of work, customer service, cost of repair, cycle time and other key performance metrics. Local, regional DRP's, and national DRP relationships, represent an opportunity for Boyd to increase its business. Along with the growth in DRP's, Boyd's management also believes there is some preference among some insurance carriers to do business with multi-location collision repairers in order to increase efficiency, reduce the number and complexity of contacts in the collision repair process and to achieve a higher level of consistent performance.

Boyd intends to grow its business through increasing same store sales and the opening or acquiring of new locations in addition to being alert to opportunities for accelerated growth through the acquisition of other multi-location businesses. Boyd has continued to diversify and broaden its product offerings through growth in the automobile glass repair and replacement business and auto glass network business.

See page 9 of the Fund's 2013 Annual Report, under the heading "Business Environment & Strategy", for a detailed description of competitive conditions, which description is incorporated by reference herein.

Intangible Assets

As part of the acquisition of Gerber, several identifiable intangible assets were recognized as follows:

(1) Customer relationships represent the reputation Gerber has with respect to its significant industry customers and DRP's throughout the U.S. Initially valued at $11.0 million (U.S.), this intangible asset is carried at its original fair market value less accumulated amortization to date. The relationships are expected to have a benefit over twenty years and are being amortized on a straight-line basis over that period.

(2) The "Gerber" brand name has been identified and initially valued at $3.0 million (U.S.) based upon the reputation and strength of the Gerber name in the U.S. market. The name is considered to have an indefinite life and is tested for impairment annually. Because of the brand's strength, Boyd re-evaluated its common branding strategy in the U.S. and decided to implement the "Gerber" brand across its U.S. operations.

(3) Non-compete agreements were in place with certain key managers of Gerber. These agreements were considered critical in terms of the retention of Gerber's professional management team. The cost of these agreements, initially valued at $1.5 million (U.S.), expired during 2007 and has been fully amortized. The employee's current employment agreements however do continue to contain one year non-compete clauses.

(4) Software customization costs represent certain additional functionality developed by Gerber to their existing management software programs. As a result of these software developments Gerber has been able to supplement its efficiency in areas such as call centre technology and statistical measurement of its services to the insurance industry. These costs, valued at $350,000 (U.S.) were amortized on a straight-line basis over a period of five years.

During 2009, $600,000 (U.S) of customer relationships and $250,000 (U.S) for a non-compete agreement were recognized as part of the acquisition of the business assets of a regional operator of four collision repair centers in the state of Arizona. The customer relationships are finite life intangible assets that are being amortized on a straight-line basis over a period of ten years. The non-compete agreement is being amortized straight-line over the five year term of the agreement.

During 2010, as part of the True2Form acquisition, $5,555,000 (U.S) of customer relationships, $640,000 (U.S.) of brandname and $515,000 (U.S) for non-compete agreements were recognized. The customer relationships are finite life intangible assets that are being amortized on a straight-line basis over a period of twenty years. The non-compete agreement is being amortized straight-line over the two year term of the agreement.

During 2011, as part of the Cars acquisition, $7,377,000 (U.S) of customer relationships, $463,000 (U.S.) of brandname, $463,000 (U.S) for non-compete agreements and $278,000 (U.S.) for management system customizations were recognized. The customer relationships are finite life intangible assets that are being amortized on a straight-line basis over a period of twenty years. The management system customizations are finite life intangible assets that are being amortized on a straight-line basis over a period of five years. The non-compete agreements is being amortized straight-line over a two year term for one of the agreements and one year for the other agreement.

In 2011, the Company decided to complete a rebranding project for the True2Form and Cars locations so that all the U.S. collision business would operate under the Gerber brand. As a result, the Fund fully amortized the True2Form and Cars brands during 2011 and 2012.

During 2012, as part of the Master, Pearl, TRR and Autocrafters acquisitions $15,600,000 (U.S) of customer relationships, $940,000 (U.S.) of brandnames, $1,210,000 (U.S) of non-compete agreements was recognized. The customer relationships are finite life intangible assets that are being amortized on a straight-line basis over a period of twenty years. The non-compete agreements is being amortized straight-line over a five year term.

During 2013, as part of the Glass America and Hansen acquisitions, $15,400,000 (U.S) of customer relationships, $4,400,000 (U.S.) of brandname and $400,000 (U.S) for non-compete agreements were recognized. The customer relationships are finite life intangible assets that are being amortized on a straight-line basis over a period of twenty years. The non-compete agreements are being amortized straight-line over a five year term.

Contracts

On July 30, 2010, June 30, 2011, January 3, 2012, November 16, 2012, November 30, 2012 and August 30, 2013 under new addendums to its existing materials supply agreement, Boyd received additional enhanced prepaid rebates from its trading partners. See page 27 of the Fund's 2013 Annual Report, under the heading "Trading Partner Funding – Prepaid Rebates and Loans", for a detailed description of the current arrangements, which descriptions are incorporated by reference herein.

Cycles

The Company's operating results have been and are expected to continue to be subject to quarterly fluctuations due to a variety of factors including changes in purchasing patterns, pricing policies, general and regional economic downturns, unemployment rates and weather conditions. The Company's geographic diversification may lessen the effect of this risk.

For more information about Boyd, please see page 9 of the Fund's 2013 Annual Report, under the heading "Business Environment & Strategy", for a more detailed description Boyd's business, which description is incorporated by reference herein.

RISK FACTORS

The following information is a summary of certain risk factors relating to the business of the Fund and Boyd, and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Annual Report and the documents incorporated by reference herein.

The Fund and the Company are subject to certain risks inherent in the operation of the business. The Fund manages risk and risk exposures through a combination of management oversight, insurance, its system of internal controls and disclosures and sound operating policies and practices.

The Board of Trustees has the responsibility to identify the principal risks of the Fund's business and ensure that appropriate systems are in place to manage these risks. The Audit Committee has the responsibility to discuss with management the Fund's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Fund's risk assessment and risk management policies. In order to support these responsibilities, management has a risk management committee which meets on an ongoing basis to evaluate and assess the Fund's risks.

The process being followed by the management risk committee is a systematic one which includes identifying risks; analyzing the likelihood and consequence of risks; and then evaluating risks as to our risk tolerance and control effectiveness. This approach stratifies risks into four risk categories as follows:

Extreme Risks: Immediate/ongoing action is required – involvement of senior management is required. Avoidance of the item may be necessary if risk reduction techniques are insufficient to address the risk.

High Risks: Risk item is significant and management responsibility should be specified and appropriate action taken.

Moderate Risks: Managed by specific monitoring or response procedures. Additional risk mitigation techniques could be considered if benefits exceed the cost.

Low Risks: Managed by routine procedures. No further action is required at this time.

Risks can be reduced by limiting the likelihood or the consequence of a particular risk. This can be achieved by adjusting the company's activities, implementing additional control/monitoring processes, or insuring/ hedging against certain outcomes. Residual risk remains after mitigation and control techniques are applied to an identified risk. Awareness of the residual risk that the Fund ultimately accepts is a key benefit of the risk management process.

The following describes the risks that are most material to the Fund's business. This is not, however, a complete list of the potential risks the Fund faces. There may be other risks that the Fund is not aware of, or risks that are not material today that could become material in the future.

Paint Supply Arrangement Restructuring

Notwithstanding the entering into of the interim amendment on October 20, 2013 of the Company's current paint supply agreement and subsequent letter of intent on January 31, 2014, there can be no assurance that a final agreement will be negotiated between the Company and its current paint supplier. Furthermore, there is no guarantee that the restructuring will be accretive. If the Company cannot finally complete an agreement with its current paint supplier or with another paint supplier, the Company will revert to operating under its current paint supply arrangement. If an agreement is concluded with a third party paint suppler, the Company will be required to repay all other amounts owing under its existing agreement with its current supplier.

Dependence upon The Boyd Group Inc. and its Subsidiaries

The Fund is an unincorporated open-ended, limited purpose mutual fund trust which will be entirely dependent upon the operations and assets of the Company through the Fund's ownership of the Notes, New Notes, Class I and Class IV shares of the Company. Accordingly, the Fund's ability to make cash distributions to the unitholders will be dependent upon the ability of the Company and its subsidiaries to pay its interest and principle obligations under the Notes and New Notes and to declare dividends, return capital, or other distributions.

Cash Distributions Not Guaranteed

The Fund and BGHI receive cash in the form of interest payments on the Notes and New Notes and dividends from the Company. The Fund and BGHI distribute the cash they receive, net of expenses and amounts reserved, to Class A common shareholders and unitholders. The actual amount of cash received and ultimately distributed by the Fund and BGHI in the future will depend upon numerous factors, including profitability, fluctuations in working capital, sustainability of margins, required capital expenditures, the need to maintain productive capacity, required funding of long-term contractual obligations, repurchases of units, restrictions on distributions arising from compliance with financial debt covenants, taxation on income or on distributions and debt repayments expected to be funded by cash flows generated from operations. There can be no assurance regarding the amount of distributable cash generated by the Company, and therefore no assurance as to the amount of cash which may be distributed by the Fund or BGHI in the future.

Inability to Successfully Integrate Acquisitions

A key element of the Company's strategy is to successfully integrate acquired businesses in order to sustain and enhance profitability. There can be no assurance that the Company will be able to profitably integrate and manage additional repair facilities. Successful integration can depend upon a number of factors, including the ability to maintain and grow DRP relationships, the ability to retain and motivate certain key management and staff, retaining and leveraging customer and supplier relationships and implementing standardized procedures and best practices. In the event that any significant acquisition cannot be successfully integrated into Boyd's operations or performs below expectations, the business could be materially and adversely affected.

Economic Downturn

While the current economic outlook has continued to improve, regions where the Company operates could remain significantly challenged for an indeterminate period of time. Historically the auto collision repair industry has proven to be somewhat resistant to economic downturns along with the accompanying unemployment, and while the Company works to mitigate the effect of economic downturn on its operations, economic conditions, which are beyond the Company's control, could lead to a decrease in repair claims volumes due to fewer miles driven or due to vehicle owners being less inclined to have their vehicles repaired. It is difficult to predict the severity and the duration of any decrease in claims volumes resulting from an economic downturn and the accompanying unemployment and what affect it may have on the auto collision repair industry, in general, and the financial performance of the Company in particular. There can be no assurance that an economic downturn would not negatively affect the financial performance of the Company.

Operational Performance

In order to compete in the market place, the Company must consistently meet the operational performance metrics expected by its customers. Failing to deliver on metrics such as cycle time, quality of repair, customer satisfaction and cost of repair can, over time, result in reductions to either pricing, repair volumes, or both. The Company has implemented extensive measuring and monitoring systems to assist it in delivering on these key metrics. However, there can be no assurance that the Company will be able to continue to deliver on these metrics or that the metrics themselves won't change in the future.

Rapid Growth

The Company has grown rapidly since 2009, through multi-location acquisitions as well as single location growth opportunities. Rapid growth can put a strain on managerial, operational, financial, human and other resources. Risks related to rapid growth include administrative and operational challenges such as the management of an expanded number of locations, the assimilation of financial reporting systems, technology and other systems of acquired companies, increased pressure on senior management and increased demand on systems and internal controls. The ability of the Company to manage its operations and expansion effectively depends on the continued development and implementation of plans, systems and controls that meet its operational, financial and management needs. If Boyd is unable to develop or implement these plans, systems or controls or otherwise manage its operations and growth effectively, the Company will be unable to maintain or increase margins or achieve sustained profitability, and the business could be harmed.

Loss of Key Customers

A high percentage of the Company's revenues are derived from insurance companies in both government owned and private insurance markets. Over the past two decades many private insurance companies have implemented DRP's with collision repair operators who have been recognized as consistent high quality, performance based repairers in the industry. The Company's ability to continue to grow its business in these markets, as well as maintain existing business volume and pricing, is largely reliant on its ability to maintain these DRP relationships. The Company continues to develop and monitor these relationships through ongoing measurement of the success factors considered critical by the insurance customer. The loss of any existing material DRP relationships could have a materially adverse effect on Boyd's operations and business prospects. Of the top five non-government owned insurance companies that the Company deals with, which in aggregate account for approximately 48% (2012 – 47%) of total sales, one insurance company represents approximately 17% (2012 – 16%) of the Company's total sales, while a second insurance company represents approximately 14% (2012 – 13%).

DRP relationships are governed by agreements that are usually cancellable upon short notice. These relationships can change quickly, both in terms of pricing and volumes, depending upon collision repair shop performance, cycle time, cost of repair, customer satisfaction, competition, insurance company management and program changes and general economic activity. To mitigate this risk, management fosters close working relationships with its customers and the Company continually seeks to diversify and grow its customer base both in Canada and the U.S. There can be no assurance given that relationships with DRP customers will not change in the future which could impair Boyd's revenues and result in a material adverse effect on the Company's business.

Brand Management and Reputation

The Company's success is impacted by its ability to protect, maintain and enhance the value of its brands. Brand value can be damaged by isolated incidents, particularly if the incident receives considerable publicity or if it draws litigation. Incidents may occur from events beyond the Company's control or may be isolated to actions that occur in one particular location. Demand for the Company's services could diminish significantly if an incident or other matter damages its brand or erodes the confidence of its public or private insurance company customers or directly with the vehicle owners themselves. With the advent of the Internet and the evolution of social media there is an increased ability for individuals to adversely affect the brand and reputation of the Company. There can be no assurance that future incidents will not negatively affect the Company's brand or reputation.

Insurance Risk

The Fund insures its property, plant and equipment, including vehicles through insurance policies with insurance carriers located in Canada and the U.S. Included within these policies is insurance protection against property loss and general liability. The Fund also insures its directors and officers against liabilities arising from errors, omissions and wrongful acts. Management uses its knowledge, as well as the knowledge of experienced brokers, to ensure that insurable risks are insured appropriately under terms and conditions that would protect the Fund and its subsidiaries from losses. There can be no assurance that all perils would be fully covered or that a material loss would be recoverable under such insurance policies.

Quality of Corporate Governance

Securities law imposes statutory civil liability for misrepresentations in continuous disclosure documents including failure to make timely disclosure. Investors have a right of action if they are harmed by a misrepresentation in an issuer's disclosure document or in a public oral statement relating to an issuer, or the failure of an issuer to make timely disclosure of a material change. Potentially liable parties include the issuer, each officer or Trustee of the issuer who authorizes, permits or acquiesces in the release of the document containing a misrepresentation, the making of the public statement containing a misrepresentation or in the failure to make a timely disclosure.

Under the Ontario Securities Act, section 138.4(6), a due diligence defense is available. The due diligence defense requires the following items to be addressed:

- the issuer must have a system designed to ensure the issuer is meeting its disclosure obligations;
- the defendant must have conducted a reasonable investigation to support reliance on the system; and
- defendants must have no reasonable grounds to believe that the document or a public oral statement contained a misrepresentation or that the failure to make the required disclosure would occur.

The Fund is keenly aware of the significance of these laws and the interrelationships between civil liability, disclosure controls and good governance. The Fund has adopted policies, practices and processes to reduce the risk of a governance or control breakdown. A statement of the Fund's governance practices is included in the Fund's most recent information circular which can be found at www.sedar.com. Although the Fund believes it follows good corporate governance practices, there can be no assurance that these practices will eliminate or mitigate the impact of a material lawsuit in this area.

Tax Position Risk

The Fund and its subsidiary account for its income tax positions in accordance with accounting standards for income taxes, which require that that the Company recognize in the financial statements, the impact of a tax position, if that position is more likely than not of being sustained on examination by taxation authorities, based on the technical merits of the position.

Inherent risks and uncertainties can arise over tax positions taken, or expected to be taken, with respect to matters including but not limited to acquisitions, transfer pricing, inter-company charges and allocations, financing charges, fees, related party transactions, tax credits, tax based incentives and stock based transactions. Management uses tax experts to assist the Fund in correctly applying the tax rules, however there can be no assurance that a position taken won't be challenged by the taxation authorities that could result in an unexpected material financial obligation.

Risk of Litigation

The Fund and its subsidiaries could become involved in various legal actions in the ordinary course of business. Litigation loss accruals may be established if it becomes probable that the Fund will incur an expense and the amount can be reasonably estimated. The Fund's management and internal and external experts are involved in assessing the probability and in estimating any amounts involved. Changes in these assessments may lead to changes in recorded loss accruals. Claims are reviewed on a case by case basis, taking into consideration all information available to the Fund.

The actual costs of resolving claims could be substantially higher or lower than the amounts accrued. In certain cases, legal claims may be covered under the Fund's various insurance policies.

Acquisition Risk

The Company plans to continue to increase revenues and earnings through the acquisition of additional collision repair facilities and other businesses. The Company follows a detailed process of due diligence and approvals to limit the possibility of acquiring a non-performing location. However, there can be no assurance that the locations acquired will achieve sales and profitability levels to justify the Company's investment.

Credit & Refinancing Risks

The Company and its subsidiaries use financial leverage through the use of debt, which have debt service obligations. The Company's ability to refinance or to make scheduled payments of interest or principal on its indebtedness will depend on its future operating performance and cash flow, which are subject to prevailing economic conditions, prevailing interest rates, and financial, competitive, business and other factors many of which are beyond its control.

The Company's revolving credit facilities contain restrictive covenants that limit the discretion of the Company's management and the ability of the Company to incur additional indebtedness, to make acquisitions of collision repair businesses, to create liens or other encumbrances, to pay dividends and fund distributions, to redeem any equity or debt or to make investments, capital expenditures, loans or guarantees and to sell or otherwise dispose of assets and merge or consolidate with another entity. In addition, the revolving credit facilities contain a number of financial covenants that require the Fund and its subsidiaries to meet certain financial ratios and financial condition tests. A failure to comply with the obligations under these credit facilities could result in an event of default, which, if not cured or waived, could permit acceleration of the relevant indebtedness. If the indebtedness were to be accelerated, there can be no assurance that the assets of the Company and its subsidiaries would be sufficient to repay the indebtedness in full. There can also be no assurance that the Company will be able to refinance the credit facilities as and when they mature. The revolving credit facility is secured by the assets of the Company.

Dependence on Key Personnel

The success of the Company is dependent on the services of a number of members of management. The experience and talent of these individuals is a significant factor in Boyd's continued success and growth. The loss of one or more of these individuals could have a material adverse effect on the Company's business operations and prospects. The Company has entered into management agreements with key members of management in order to mitigate this risk.

Employee Relations

Boyd currently employs approximately 4,170 people, of which 575 are in Canada and 3,595 are in the U.S. The current work force is not unionized, except for approximately 45 employees located in the U.S. who are subject to collective bargaining agreements. In addition, the automobile collision repair industry typically experiences high employee turnover rates. Although the Company believes that it is on good terms with its employees, there are no assurances that a disruption in service would not occur as a result of employee unrest or employee turnover. There is no guarantee that a significant work disruption or the inability to maintain or replace existing staff levels would not have a material effect on the Fund.

Decline in Number of Insurance Claims

The automobile collision repair industry is dependent on the number of accidents which occur and, for the most part, become repairable insurance claims. The volume of accidents and related insurance claims can be significantly impacted by changes in technology such as collision avoidance systems and other safety improvements made to vehicles. Other changes which have and can continue to affect insurance claim volumes include, but are not limited to, general economic conditions, unemployment rates, changing demographics, vehicle miles driven, new vehicle production, insurance policy deductibles, auto insurance premiums, photo radar and graduated licensing. In addition, repairable claims volumes have been and can continue to be impacted by an increased number of non-repairable claims or "write-offs". There can be no assurance that a significant decline in insurance claims will not occur, which could impair Boyd's revenues and result in a material adverse affect on the Company's business.

Market Environment Change

The collision repair industry is subject to continual change in terms of regulations, technology, repair processes and changes in the strategic direction of customers, suppliers and competitors. The Company endeavors to stay abreast of developments in the industry and make strategic decisions to manage through these changes. In certain situations, the Company is involved in leading change by anticipating or developing new methods to address changing market needs. The Company however, may not be able to correctly anticipate the need for change or may not effectively implement changes to maintain or improve its relative position with competitors.

There can be no assurance that market environment changes will not occur that could negatively affect the financial performance of the Company.

Reliance on Technology

As is the case with most businesses in today's environment, there is a risk associated with Boyd's reliance on computerized operational and reporting systems. Boyd makes reasonable efforts to ensure that back-up systems and redundancies are in place and functioning appropriately. Boyd has longer-term disaster recovery programs to protect against significant system failures. Although a computer system failure would not be expected to critically damage the Company in the long term, there can be no assurance that a computer system crash or like event would not have a material impact on its financial results. Reliance on technology in order to gain or maintain competitive advantage is becoming more significant and therefore the Company is faced with determining the appropriate level of investment in new technology in order to be competitive. There can be no assurance that the Company will correctly identify or successfully implement the appropriate technologies for its operations.

Weather Conditions

The effect of weather conditions on collision repair volume represents an element of risk to the Company's ability to maintain sales. Historically, extremely mild winters and dry weather conditions have had a negative impact on collision repair sales volumes. Even with market share gains, this type of weather related decline in market size can result in sales declines which could result in a material effect on the Company's business.

Expansion into New Markets

Boyd views the United States as having significant potential for further market expansion of its business. There can be no assurance that any market for the Company's services and products will develop either at the local, state or national level. Economic instability, laws and regulations and the presence of competition in all or certain jurisdictions may limit the Company's capability to successfully expand operations into the United States.

Fluctuations in Operating Results and Seasonality

The Company's operating results have been and are expected to continue to be subject to quarterly fluctuations due to a variety of factors including changes in customer purchasing patterns, pricing policies, general operating effectiveness, general and regional economic downturns, unemployment rates and weather conditions. These factors can affect Boyd's ability to fund ongoing operations and finance future activities.

Increased Government Regulation and Tax Risk

The Fund, the Company and its subsidiaries are subject to various federal, provincial, state and local laws, regulations and taxation authorities. Various federal, provincial, state and local agencies as well as other governmental departments administer such laws, regulations and their related rules and policies. New laws governing the Fund or its business could be enacted or changes or amendments to existing laws and regulations could be enacted which could have a significant impact on Boyd. The Fund utilizes the services of professional advisors in the areas of taxation, environmental, health and safety, labor and general business law to mitigate the risk of non-compliance. Failure by the Fund to comply with the applicable laws, regulations or tax changes may subject it to civil or regulatory proceedings and no assurance can be given that this may not have a material impact on the Fund or its financial results.

Environment Canada has regulations to limit emissions pollutants used in a number of consumer and commercial products including automotive paint and coatings. As a result, the automobile collision repair industry in Canada has adapted its refinish processes and equipment to waterborne basecoat technology. The Company also converts all new U.S. operations to waterborne basecoat technology and has converted all new locations since August 2009. Although to date, there have been no negative consequences to this conversion there can be no assurance that conversion to this new technology or compliance with the proposed new legislation will not have a material adverse affect on the Fund's business or financial results.

The Fund has investigated and evaluated its structuring alternatives in connection with the Specified Investment Flow-through ("SIFT") rules with a view of preserving and maximizing unitholder value. Based upon its investigation, analysis and due diligence to date, and given its current size and circumstances, the Fund has determined that a change to a share corporation structure would not be advantageous to the Fund or its unitholders. This determination has been made based on several reasons. First, the Fund does not believe it will achieve any net tax savings by converting. Second, the Fund believes that the cost of conversion, which it estimates to be between $500,000 and $1 million, is not a prudent use of cash and is not justified by any perceived benefits from conversion for a fund of our size. Third, to the extent that the Fund pays SIFT tax it believes that its taxable unitholders will benefit from the lower tax rate on distributions received, as it expects to be able to maintain distributions, despite any trust tax that the Fund would incur.

On December 15, 2010 the Trustees of the Fund approved an internal capital restructuring plan that better reflects its significant U.S. base of business and its expected source of future growth. A consequence of this restructuring is that distributions to unitholders are 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.

There can be no assurance that additional changes to the taxation of income trusts or corporations or changes to other government laws, rules and regulations, either in Canada or the U.S., will not be undertaken which could have a material adverse effect on the Fund's unit price and business. There can be no assurance the Fund will benefit from these rules, that the rules will not change in the future or that the Fund will avail itself of them.

Canadian Tax Related Risks

Expenses incurred by the Fund are only deductible to the extent they are reasonable. There can be no assurance that the taxation authorities will not challenge the reasonableness of certain expenses. If such a challenge were successful against the Fund, it may materially and adversely affect the distributable cash flow of the Fund. Management of the Fund believes the expenses inherent in the structure of the Fund are supportable and reasonable in the circumstances.

The Units will cease to be qualified investments for a Registered Plan under the Tax Act unless the Units are listed on a "designated stock exchange" (as defined in the Tax Act) or the Company qualifies as a "mutual fund trust" (as defined in the Tax Act).

Securities received from the Company as a result of a redemption of Units may not be qualified investments for a Registered Plan, which may result in adverse tax consequences for the Registered Plan and the annuitant under, or the holder of, the Registered Plan.

There can be no assurance that additional changes to the taxation of income trust or corporations or changes to other government laws, rules and regulations, either in Canada or the U.S., will not be undertaken which could have a material adverse effect on the Fund's unit price and business. There can be no assurance the Fund will benefit from these rules, that the rules will not change in the future or that the Fund will avail itself of them.

Execution on New Strategies

New initiatives are introduced from time to time in order to grow Boyd's business. Initiatives such as entering new markets or introducing and improving related products and services have the potential to be accretive to the Company's business when the opportunity is accurately identified and executed. There can be no assurance that the Company identifies new strategies that are accretive to the business or that it is successful in implementing such initiatives.

Operating Hazards

The Company's revenues are dependent upon the continued operation of its facilities, which can experience a failure or substandard performance of equipment, natural disasters, suspension of operations, the effect of new regulatory requirements regarding the operations of such facilities and claims of injury by employees or members of the public among other risks. There can be no assurances that the Company will be able to continue to operate its facilities free of impact from these risks.

Energy Costs

The Company is exposed to fluctuations in the price of energy, particularly petroleum based products. These costs not only impact the costs associated with occupying and operating collision repair facilities but may also affect costs of parts and materials used in the repair process as well as miles driven by automobile owners. There can be no assurance that escalating costs which cannot be offset by energy conservation practices, price increases to customers or productivity gains, would not result in materially lower operating margins. As well, there can be no assurance that escalating energy costs will not materially reduce automobile miles driven and in turn reduce the number of collisions.

U.S. Health Care Costs and Workers Compensation Claims

The Fund accrues for the estimated amount of U.S. health care claims and workers compensation claims that may have occurred but were not reported at the end of the year under its health care and workers compensation plans. The accruals are based upon the Company's knowledge of current claims as well as third party estimates derived from past experience. A significant claim occurrence which remains unreported for a number of months could materially impact this accrual. In addition, as U.S health care costs increase, there can be no assurance given that the Company can continue to offer health care insurance to its employees at a reasonable cost.

Low Capture Rates

Sales growth can be enhanced if the Company is effective at booking repair orders for all sales opportunities that are identified. The Company is exposed to missed jobs to the extent employees are ineffective at capturing all sales opportunities. Measurement of capture rates, management support and training are methods that are employed to enhance capture rates. However, it is possible that the Company may not be able to capture sales effectively enough to maximize sales.

Key Supplier Relationships

The Company has entered into key supplier relationships that have provided the Company with, among other things, prepaid rebates which are being amortized to earnings over time. Subject to the intended restructuring of its current paint supply arrangements, there can be no assurance that prepaid rebate funding will continue to be available if Boyd cannot meet the conditions for the funding or that new funding will be available if the supplier is unable to fulfill its obligations. See "Business Risks and Uncertainties – Paint Supply Arrangement Restructuring'.

Capital Expenditures

The business of the Company requires ongoing capital maintenance. Moreover, opportunities may arise for capital upgrades providing cost savings that may not be realized in the immediate future but, rather, over several years. To the extent that capital expenditures are in excess of amounts budgeted, the amounts of cash available for distribution may decrease.

Competition

The collision repair industry in North America, estimated at approximately $30 to 40 billion U.S. is very competitive. The main competitive factors are price, service, quality, customer satisfaction and adherence to various insurance company performance indicators. There can be no assurance that Boyd's competitors will not achieve greater market acceptance due to pricing or other factors.

Although competition exists mainly on a regional basis, Boyd competes with a small number of other multi-location collision repair operators, in multiple markets in which it operates. Insurers are recognizing the benefits associated with utilizing the larger collision repair consolidators in multiple markets and as such, more and more DRP relationships are becoming national in scope.

The Company estimates that, as a group, large multi-location operators with sales in excess of $20 million U.S. annually have approximately a 15% market share. The Company anticipates facing increasing competition in the markets in which it operates.

Given these industry characteristics, existing or new competitors may become significantly larger and have greater financial and marketing resources than Boyd. These competitors may compete with Boyd in rendering services in the markets in which Boyd currently operates and also in seeking existing facilities to acquire or new locations to open in markets in which Boyd desires to expand. There can be no assurance that the Company will be able to maintain or achieve its desired market share.

Potential Undisclosed Liabilities Associated with Acquisitions

To the extent that the prior owners of businesses acquired by Boyd failed to comply with or otherwise violated applicable laws, the Company, as the successor owner, may be financially responsible for these violations and any associated undisclosed liability. The Company seeks, through systematic investigation and due diligence, and through indemnification by former owners, to minimize the risk of material undisclosed liabilities associated with acquisitions. The discovery of any material liabilities, including but not limited to tax, legal and environmental liabilities, could have a material adverse effect on the Company's business, financial condition and future prospects.

Foreign Currency Risk

In the past, the Company has financed acquisitions of U.S. businesses in part by making U.S. denominated loans available under its credit facilities that could then be serviced and repaid from anticipated future U.S. earnings streams. Although this natural hedging strategy is partially effective in mitigating future foreign currency risks, a substantial portion of Boyd's revenue and cash flow are now, and are expected to continue to be, generated in U.S. dollars. Fluctuations in exchange rates between the Canadian dollar and the U.S. currency may have a material adverse effect on the Company's reported earnings and cash flows and its ability to make future Canadian dollar cash distributions.

There can be no assurance that fluctuations in the U.S dollar relative to the Canadian dollar can be hedged effectively for long periods of time and there can be no assurances given that any currency hedges or partial hedges in place would remain effective in the future.

Margin Pressure

The Company's costs to repair vehicles, including the cost of parts, materials and labour are market driven and can fluctuate either suddenly or over time. The Company is not always able to pass these cost increases on to end users in the form of higher selling prices to its public and private insurance company customers. As a result, there can be no assurance that increases in the costs to repair vehicles will ultimately be recoverable from its customers. While negotiations with insurance companies and other influencing factors over time can result in selling price increases, the timing and extent of such increases is not determinable. As a result, there can be no assurance that increases in the costs to repair vehicles will ultimately be recoverable from the Company's customers.

Acquisition and Start-Up Growth and Ongoing Access to Capital

The Company grows, in part, through future acquisitions or start-up of collision and glass repair and replacement businesses. There can be no assurance that Boyd will have sufficient capital resources available to implement its growth strategy. Inability to raise new capital, in the form of debt or equity, could limit Boyd's future growth by acquisition or start-up.

The Company will endeavour, through a variety of strategies, to ensure in advance that it has sufficient capital for growth. Potential sources of capital that the Company has been successful at accessing in the past include public and private equity and debt placements, using equity securities to directly pay for a portion of acquisitions, capital available through strategic alliances with trading partners, vendor financing, lease financing and both senior and subordinate debt facilities. There can be no assurance that the Company will be successful in accessing these or other sources of capital in the future.

Environmental, Health and Safety Risk

The nature of the collision repair business means that hazardous substances must be used, which could cause damage to the environment or individuals if not handled properly. The Company's environmental protection policy requires environmental site assessments to be performed on all business locations prior to acquisition, start-up or relocation so that any existing or potential environmental situations can be remedied or otherwise appropriately addressed. It is also Boyd's practice to secure environmental indemnification from landlords and former owners of acquired collision repair businesses, where such indemnification is available. Boyd also engages a private environmental consulting firm to perform regular compliance reviews to ensure that the Company's environmental and health and safety policies are followed.

To date, the Company has not encountered any environmental protection requirements or issues which would be expected to have a material financial or operational effect on its current business and it is not aware of any material environmental issues that could have a material impact on future results or prospects. No assurance can be given, however, that the prior activities of Boyd, or its predecessors, or the activities of a prior owner or lessee, have not created a material environmental problem or that future uses will not result in the imposition of material environmental, health or safety liability upon Boyd.

Interest Rates

The Company occasionally fixes the interest rate on its debt using interest rate swap contracts or other provisions available in its debt facilities. There can be no guarantee that interest rate swaps or other contract terms that effectively turn variable rate debt into fixed rates will be an effective hedge against long term interest rate fluctuations.

The Company has not fixed interest rates within its revolving credit facility. There can be no assurance that interest rates either in Canada or the U.S. will not increase in the future, which could result in a material adverse effect on the Company's business.

Unitholder Limited Liability is Subject to Contractual and Statutory Assurances That May Have Some Enforcement Risks

The Declaration of Trust provides that no Unitholder will be subject to any liability in connection with the Fund or its obligations and affairs and, in the event that a court determines Unitholders are subject to any such liabilities, the liabilities will be enforceable only against, and will be satisfied only out of, the Fund's assets.

However, there remains a risk, which is considered by the Fund to be remote in the circumstances, that a Unitholder could be held personally liable, despite such statement in the Declaration of Trust, for the obligations of the Fund to the extent that claims are not satisfied out of the assets of the Fund.

DESCRIPTION OF CAPITAL STRUCTURE

General Description

Units

An unlimited number of Units are authorized and may be issued pursuant to the 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.

Unitholder Limited Liability

The Declaration of Trust provides that no Unitholder, in its capacity as Unitholder, will be subject to any liability in connection with the Fund or its obligations, liabilities, activities or affairs and, if a court determines a Unitholder is subject to any such liabilities, the liabilities will be enforceable only against, and will be satisfied only out of the Units held by the Unitholder.

For more information about Unitholder Limited Liability, please see page 47 of the Prospectus, under the heading "Unitholder Limited Liability", which information is incorporated by reference herein.

Issuance of Units

The Declaration of Trust provides that the Units or rights to acquire Units may be issued at the times, to the persons, for the consideration and on the terms and conditions that the Trustees determine, including as required under the Exchange Agreement. At the option of the Trustees, Units may be issued in satisfaction of any distribution of the Fund to Unitholders on a *pro rata* basis to the extent the Fund does not have available cash to fund such distributions. The

Declaration of Trust also provides that, unless the Trustees determine otherwise, immediately after any *pro rata* distribution of Units to all Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will be consolidated such that each Unitholder will hold after the consolidation the same number of Units as the Unitholder held before the non-cash distribution, except where tax was required to be withheld. In this case, each certificate (if any), representing a number of Units prior to the non-cash distribution is deemed to represent the same number of Units after the non-cash distribution and the consolidation, again except where tax was required to be withheld.

Redemption Rights

Units are redeemable at any time and from time to time on demand by the holders thereof, subject to a monthly limit of $25,000 in aggregate redemptions. Upon receipt of the redemption notice by the Fund, all rights to and under the Units tendered for redemption shall be surrendered and the holder thereof shall be entitled to receive a price per Unit as described on page 48 of the Prospectus under the heading “Redemption Right”, which description is incorporated by reference herein.

The capital structure of Boyd is as hereinbefore described under “Structure of the Fund”.

Unit Options

On January 11, 2006, the Executive Compensation Committee of the Fund conditionally granted to each of Brock Bulbuck, President and Chief Operating Officer of the Fund and Boyd, and Timothy O’Day, President and Chief Operating Officer of the Fund’s subsidiary, The Boyd Group (U.S.) Inc. an option to purchase up to an additional 100,000 Units of the Fund at any time after the expiration of 9 years and 255 days after the date the options were granted up to and including the expiration of 9 years and 345 days after the date the options were granted. The units shall be purchased, to the extent validly exercised, on the 10th anniversary of the grant date subject to the condition that the option is not exercisable if the grantee is not an officer or employee of the Fund, Boyd or a subsidiary on September 23, 2015. The options permit the purchase of units at a price equal to the weighted average trading price on the Toronto Stock Exchange for the first 15 trading days in the month of January 2006, being $1.91 per unit. Notwithstanding the foregoing, if, prior to the options vesting, the employment of the grantee is terminated “without cause” as defined in the Option Agreement and Confirmation, or if at any time there is a “takeover bid” for the Units of the Fund, then the grantee will have the right to exercise the options. The grants of options to Mr. Bulbuck and Mr. O’Day were subsequently approved by Unitholders of the Fund at the Annual Meeting of Unitholders held on May 13, 2006.

On November 8, 2007, the Executive Compensation Committee of the Fund conditionally granted options to each of Brock Bulbuck, President and Chief Operating Officer of the Fund and Boyd, and Timothy O’Day, President and Chief Operating Officer of the Fund’s subsidiary, The Boyd Group (U.S.) Inc. allowing them each to purchase up to 225,000 units of the Fund, such options to be issued to purchase up to 75,000 units each on January 2, 2008, 2009 and 2010. The options may be exercised at any time after 9 years and 255 days after the dates on which the options were granted up to and including 9 years and 345 days after such dates. The units shall be purchased, to the extent validly exercised on the 10th anniversary of the respective issue dates. The purchase price per Fund unit under the options issued on each issue date shall be the greater of the closing price for Fund units on the Toronto Stock Exchange on the option grant date (being $2.70 per unit) and the weighted average trading price of the Fund units on the Toronto Stock Exchange for the first 15 trading days in the month of January in which each issue date falls. Notwithstanding the foregoing, if, prior to the options vesting, the employment of the grantee is terminated "without cause" as defined in the Option Agreement and Confirmation, or if at any time there is a "takeover bid" for the Units of the Fund, or a change in control of the Fund, then the grantee will have the right to exercise the options. The options granted to Mr. Bulbuck and Mr. O'Day were subsequently approved by Unitholders of the Fund at the Annual Meeting of Unitholders held on May 21, 2008.

Constraints

Certain provisions of the Tax Act require that the Fund not be established or maintained primarily for the benefit of Non-Residents. Accordingly, in order to comply with such provisions, the Declaration of Trust contains restrictions on the ownership of Units by Unitholders who are Non-Residents. The Trustees may require declarations as to the jurisdictions in which beneficial owners of the Units are resident. If the Trustees become aware, as a result of requiring such declarations as to beneficial ownership, that the beneficial owners of 49% of the votes attaching to the Units then outstanding are, or may be, Non-Residents or that such a situation is imminent, the Trustees may direct the Transfer Agent or registrar to issue a public announcement thereof and not to accept a subscription for Units or issue or register a transfer of Units to a person unless the person provides a declaration that the person is not a Non-Resident. If, notwithstanding the foregoing, the Trustees determine that a majority of the votes attaching to the Units are held by Non-Residents, the Trustees may send a notice to Non-Resident holders of Units, chosen in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 60 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the Trustees may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale the affected holders shall cease to be holders of Units and their rights shall be limited to receiving the net proceeds of sale upon surrender of the certificates, if any, representing such Units.

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 Boyd and BGHI held by the Fund, net of expenses, reserves and any cash redemptions of Units. On December 15, 2005, the Fund, the Company and BGHI suspended cash distributions to unitholders and Class A common shareholders. The Fund believed the suspension of distributions was in the best interests of unitholders and shareholders as it allowed the Company to strengthen its balance sheet and improve its cash position and financial flexibility. On November 13, 2007 the Fund and BGHI announced its plans to reinstate distributions and dividends beginning in December 2007. See page 47 of the Prospectus under the heading "Cash Distributions" for a more detailed discussion of the cash to be distributed by the Fund to Unitholders, which discussion is incorporated by reference herein. See page 15 of the Fund's 2013 Annual Report, under the heading "Distributable Cash" for a more detailed description of distributions which description is incorporated by reference, herein. The payment of interest and dividends by Boyd are subject to compliance with the terms and conditions of Boyd's credit facilities with its senior lender.

When distributions are being made, the distributions are made monthly to the Unitholders and shareholders of record on the last Business Day of each month. The following table sets forth the per unit distributions or per share dividend declared and paid to Unitholders and Class A common shareholders during the past three fiscal years:

	2013	**2012**	**2011**
January……………………………………………	**.039**	.0375	0.035
February…………………………………………..	**.039**	.0375	0.035
March……………………………………………..	**.039**	.0375	0.035
April………………………………………………	**.039**	.0375	0.035
May……………………………………………….	**.039**	.0375	0.035
June……………………………………………….	**.039**	.0375	0.035
July………………………………………………..	**.039**	.0375	0.035
August…………………………………………….	**.039**	.0375	0.035
September…………………………………………	**.039**	.0375	0.035
October……………………………………………	**.039**	.0375	0.035
November…………………………………………	**.040**	.039	0.0375
December…………………………………………	**.040**	.039	0.0375

The Board of Directors of Boyd and the Board of Directors of BGHI have each adopted a dividend policy which is more specifically described on page 44 of the Prospectus under the heading "Dividend Policy", which description is incorporated by reference herein.

MARKET FOR SECURITIES

The Units are listed and posted for trading on the Toronto Stock Exchange (TSX) under the symbol "BYD.UN".

The monthly trading volume and price ranges of the Units traded at the TSX over the Fund's last financial year are as follows:

Month	High	Low	Volume
January 2013…………………………………..	18.24	16.27	1,360,784
February 2013…………………………………	18.56	17.45	316,554
March 2013……………………………………	19.94	17.99	642,391
April 2013……………………………………..	19.58	18.50	652,274
May 2013……………………………………...	21.22	19.26	964,316
June 2013……………………………………...	24.30	21.15	874,971
July 2013………………………………………	24.73	21.59	515,184
August 2013…………………………………...	26.41	23.00	748,621
September 2013……………………………….	27.99	25.10	830,600
October 2013…………………………………..	28.98	26.00	1,172,410
November 2013………………………………..	30.99	25.45	808,690
December 2013………………………………..	33.50	28.77	938,294

Prior Sales

See page 27 of the Fund's 2013 Annual Report, under the heading "Debt Financing", for a more detailed description of securities and more specifically debt instruments issued by Boyd, which description is incorporated by reference herein.

Escrowed Securities

The Company established the Senior Managers Unit Loan Program in December 2012. On a one time basis. senior managers of Boyd and Boyd US were eligible to receive loans from Boyd and Boyd US of up to 75% of each senior manager's purchase. The loans bear interest at a fixed rate of 3% per annum with interest payable monthly. Each year, two percent of the original loan amount will be forgiven and applied as a reduction of the loan principal for the first five years of the loan. This forgiveness is conditional of the employee being employed by the Company or by Boyd US and the employee not being in default of the loan. Participants are required to make monthly payments equal to .25% of the original principal amount. Beginning March 31, 2013 participants are required to make additional minimum repayments of principal equal to the lesser of 12.5% of their annual pre-tax bonus or 12.5% of the original loan amount. Participants are required to repay the loan in full on the earlier of: termination of employment, sale of the Units, ten years from the date of loan issuance. The loan can be repaid at any time without penalty; however, the remaining 2% annual forgiveness would be forfeited. Units purchased are held by the Company and Boyd US as security for repayment of the loan. At March 20, 2014, 75,178 Units were held as security against the notes.

TRUSTEES, DIRECTORS AND OFFICERS

Trustees of the Fund

The Declaration of Trust establishes a Board of Trustees comprised of not more than ten or less than three members. Trustees are reappointed or replaced every year as may be determined by a majority of the votes cast at an annual meeting of the Unitholders.

The names, municipalities of residence and principal occupations for the previous five years of the Trustees are outlined in the following table:

Name and Municipality of Residence	Current Office	Principal Occupation
Allan Davis (1) (3) Winnipeg, Manitoba	Chairman (Since Nov 2011) Trustee (Since May 2005)	President and Director of AFD Investments Inc.
Brock Bulbuck Winnipeg, Manitoba	President and Chief Executive Officer and Trustee (Trustee since Dec 2002)	President and Chief Executive Officer of Boyd.
David Brown (2) (3) Winnipeg, Manitoba	Trustee (Since Jun 2012)	President and CEO of Richardson Capital
Walter Comrie (1) (2) (3) Winnipeg, Manitoba	Trustee (Since Dec 2002)	Past Sales Manager for CTV Television Winnipeg.
Gene Dunn (1) (2) (3) Winnipeg, Manitoba	Trustee (Since Dec 2002)	Chairman of Monarch Industries Ltd.
Robert Gross (3) New York, USA	Trustee (Since Nov 2012)	Executive Chairman of Monro Muffler Brake, Inc.
Tim O'Day Illinois, USA	Trustee (Since Mar 2012)	President and Chief Operating Officer, U.S. Operations, of Boyd

Committee members as at December 31, 2013
(1) Member of the Audit Committee
(2) Member of the Compensation Committee
(3) Member of the Governance & Nomination Committee

As a group, the Trustees own or control, directly or indirectly through Class A common shares, 413,591 Units being approximately 2.7% of all the issued and outstanding Units (assuming all remaining Class A common shares were converted into Units) as of March 20, 2014. Each Unit is entitled to one vote at meetings of Unitholders.

See page 88 of the Fund's 2013 Annual Report under the heading "Board of Trustees", and page 51 of the Prospectus under the heading "Trustees", for a more detailed description of the Trustees, which description is incorporated by reference herein.

Directors and Officers of Boyd

The Trustees of the Fund also serve as the Board of Directors of Boyd. Each member became a Director of Boyd in 1998 with the exception of Allan Davis, David Brown, Robert Gross, Tim O'Day.

The following table sets forth the name, municipality of residence and principal occupation of each of the current officers of Boyd or its Subsidiaries not already listed above as a Trustee:

Name and Municipality of Residence	Position with Boyd
Dan Dott Winnipeg, Manitoba	Vice-President, Chief Financial Officer and Secretary
Kevin Comrie East St. Paul, Manitoba	Chief Marketing Officer
Eric Danberg Winnipeg, Manitoba	President, Canadian Operations
Jeff Murray Winnipeg, Manitoba	Vice-President, Finance
Eddie Cheskis * Illinois, USA	Chief Strategy Officer, US Operations & Chief Executive Officer, U.S. Glass
Gary Bunce * Illinois, USA	Senior Vice President, Marketing & Sales, US Operations
Kevin Burnett * Illinois, USA	Vice President Operations, Illinois, Oklahoma & Kansas
Tom Csekme * Arizona, USA	Vice President Operations, Arizona, Nevada & Georgia
Rex Dunn * Ohio, USA	President, True2Form
Frank Alessia * Illinois, USA	Assistant Secretary, Nevada
Larry Jaskowiak * Ohio, USA	Vice President Operations, Cars & Master Collision Repair
Vince Claudio * Washington, USA	Vice President Operations, Washington
Paul. J. Ruiter * Ohio, USA	Chief Human Resources Officer, U.S. General Counsel & Assistant Secretary, True2Form
Jeremy Overweg * Michigan, USA	Vice President Operations, Hansen Collision
Rob Vaca * Illinois, USA	Senior Vice President, Glass America

Mark Flasch * Illinois, USA	Vice President, Gerber National Glass Services
Rob Robbins * Illinois, USA	Vice President, Sales and Marketing, Glass America

* Officers of Subsidiary Companies only

Other than the following changes, each of the foregoing persons has held the same principal position for the previous five years. Mr. Bulbuck was appointed Chief Executive Officer on January 7, 2010. Effective July 1, 2011, Mr. Danberg was appointed President Canadian Operations. Prior to September 1, 2008, Mr. Cheskis was the CEO of one of Boyd's subsidiaries. Effective July 20, 2010, in conjunction with the acquisition of True2Form, Rex Dunn was appointed President, True2Form, and Paul J. Ruiter was appointed Assistant Secretary of True2Form. Effective July 5, 2011 Frank Alessia, the US controller was appointed Assistant Secretary, Nevada. Effective June 30, 2011, in conjunction with the acquisition of Cars, Larry Jaskowiak was appointed Vice President Operations, Cars. Effective January 1, 2012 Larry Jaskowiak was appointed to be Vice President Operations, Master Collision Repair. Effective January 1, 2013 Jeff Murray was appointed Vice-President Finance of Boyd. Effective September 1, 2013 Jeremy Overweg was appointed Vice President Operations, Hansen Collision. Effective December 12, 2013 Rob Vaca, Mark Flasch and Rob Robbins were appointed Vice Presidents of the glass business. Effective March 11, 2014 Derek Chatterley ceased to be Vice President, British Columbia Operations.

As of March 20, 2014, 950,753 Voting Shares of Boyd (assuming all remaining Class A common shares were converted into Units) were beneficially owned or controlled directly or indirectly by the directors and officers of Boyd as a group, which represented approximately 6.2% of the issued and outstanding Voting Shares of Boyd.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Fund, no Trustee of the Fund, or a person or company that is the direct or indirect owner of, or who exercises control or direction over, a sufficient number of Units so as to materially affect the control of the Fund:

(a) is, as at the date of this Annual Information Form or has been, within the 10 years before the date of this Annual Information Form, a director or executive officer of any company, that while the person was acting in that capacity:

- (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

- (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(iii) or within a year of the 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

(b) has, within the 10 years before the date of this Annual Information Form, become 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.

To the knowledge of the Fund, no Trustees of the Fund (i) have been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or (ii) have 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.

Conflicts of Interest

To the knowledge of the Fund, no Trustee of the Fund has an existing or potential material conflict of interest with the Fund or any of its subsidiaries.

AUDIT COMMITTEE

Audit Committee Charter

The Audit Committee Charter is attached as Appendix A to this Annual Information Form.

Composition of Audit Committee

The Audit Committee of the Fund is chaired by Allan Davis and includes Walter Comrie and Gene Dunn. Each member of the audit committee is independent and none receives, directly or indirectly, any compensation from the Fund other than for service as a member of the Board of Trustees and its committees, of which amounts are less than $75,000 annually for each member. All members of the Audit Committee are financially literate as defined under Multilateral Instrument 51-102 – *Audit Committees*.

Relevant Education and Experience of Audit Committee Members

The members of the Fund’s Audit Committee bring with them considerable education and business experience, as described below:

Allan Davis is President and Director of AFD Investments Inc. a Winnipeg based management consulting firm. In addition to serving on the Boyd Group Income Fund Board of Trustees, he is also a member of the Manufacturing Advisory Board of Exchange Income Corporation. Mr

Davis is a Chartered Accountant and holds a Bachelor of Commerce (Honours) degree from the University of Manitoba.

Gene Dunn is the Chairman of Monarch Industries Ltd. of Winnipeg, a leading Canadian manufacturing company. In addition to serving on the Boyd Board of Trustees, he is also a member of the Board of the Winnipeg Blue Bombers Football Club, the Winnipeg Steelers Hockey Club and of Cubresa Corporation, a medical imaging company. He is past Chairman of the Board of Governors for Balmoral Hall School for Girls and past Chairman of the Winnipeg Blue Bombers Football Club. Mr. Dunn is also the past Chairman of the Board of Governors of the Canadian Football League (CFL).

Walter Comrie is the former General Sales Manager for CTV Television Winnipeg. Mr. Comrie continues to be actively engaged in management & advertising consulting for a variety of clients. Under the Fund's predecessor limited partnership structure, Mr. Comrie served as Chairman of the Advisory Committee. In addition to serving on the Board of Trustees of the Fund, he is a Past President of the Broadcasters Association of Manitoba and a past member of the Board of Directors of Habitat for Humanity.

Pre-Approval Policies and Procedures

The Audit Committee has considered whether the provision of services other than audit services is compatible with maintaining the auditors' independence. The Audit Committee has adopted a policy that prohibits the Company from engaging auditors for "prohibited" categories of non-audit services and requires pre-approval by the Audit Committee of audit services and other services within permissible categories of non-audit services.

Audit Fees

Deloitte LLP has served as the Fund's sole auditing firm for the past two years. Fees billed or accrued for the years ended December 31, 2013 and December 31, 2012 by Deloitte LLP and its affiliates are $1,148,679 and $1,020,681, as detailed below:

	2013	2012
Audit fees	$ 498,575	$ 574,411
Audit-related fees	338,150	173,340
Tax fees	311,954	272,930
	$ 1,148,679	$ 1,020,681

The nature of each category of fees is described below.

Audit fees

Audit fees were paid for professional services rendered by the auditors for the audit of the annual financial statements of the Fund and its subsidiaries or services provided in connection with statutory and regulatory filings or engagements.

Audit-related fees

Audit-related fees were paid for assurance and related services that are reasonably related to the performance of the audit or review of the annual financial statements and are not reported under the audit fees item above. The services consisted of:

- special attest services not required by statute or legislation;
- reporting on the effectiveness of internal controls;
- acquisition due diligence;
- identifying financial reporting issues
- Travel and out-of-pocket costs

These services were pre-approved by the audit committee.

Tax fees

Tax fees were paid for tax compliance services including the preparation of original and amended Canadian and U.S. tax returns, assistance with questions regarding tax audits and assistance with special tax matters relating to acquisitions or corporate restructuring.

PROMOTERS

There are no promoters of the Fund.

LEGAL PROCEEDINGS

Neither the Fund, Boyd nor any of its subsidiaries are involved in any legal proceedings which are material in any respect.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

See page 29 of the Fund's 2013 Annual Report under the heading "Related Party Transactions" for a detailed description of the interest of management and others in material transactions, which description is incorporated by reference herein.

TRANSFER, DISTRIBUTION AGENTS AND REGISTRARS

Valiant Trust Company is the distribution agent of the Fund with respect to payment of any distributions as well as payment of any dividends on Class A common shares of BGHI, with an office in Calgary, Alberta. Effective January 1, 2009 Valiant Trust Company also became the transfer agent and registrar for the Fund, replacing CIBC Mellon Trust Company.

MATERIAL CONTRACTS

Neither the Fund, Boyd nor any of its subsidiaries have entered into any material contracts requiring disclosure pursuant to National Instrument 51-102 during the most recently completed financial year, or before the most recently completed financial year.

INTERESTS OF EXPERTS

Deloitte LLP is the independent auditor of the Fund.

ADDITIONAL INFORMATION

Additional information, including Trustees' and officers' remuneration and indebtedness, principal holders of the Fund's securities and interests of insiders in material transactions, if applicable, is contained in the Fund's 2014 Information Circular dated April 8, 2014, which information is incorporated by reference herein. Copies of the Information Circular may be obtained upon request from the Chief Financial Officer of the Fund.

The Fund will also provide any person with, upon request of the Chief Financial Officer at 3570 Portage Avenue, Winnipeg, Manitoba, R3K 0Z8:

- one copy of this Annual Information Form, together with one copy of any document, or the pertinent pages of any document, incorporated by reference therein; or

- one copy of the financial statements of the Fund discussed above, together with the accompanying report of the auditor and one copy of the most recent interim financial statements of the Fund that have been filed, if any, for any period after the end of its most recently completed financial year provided that the Fund may require the payment of a reasonable charge if the request is made by a person or company who is not a Unitholder.

Additional financial information, along with management's discussion and analysis for the most recently completed financial year can be found in the Fund's 2013 Annual Report.

Additional information relating to the Fund may also be found on SEDAR at www.sedar.com.

APPENDIX A: AUDIT COMMITTEE CHARTER

Purpose

The primary purpose of the Audit Committee (the "Audit Committee") of the Board of Trustees (the "Board") of the Boyd Group Income Fund (the "Fund") is to assist the Board in fulfilling its oversight responsibilities by:

- Reviewing the integrity of the consolidated financial statements of the Fund;
- Reviewing the Fund’s compliance with legal and regulatory requirements;
- Recommending to the Board the appointment of the independent auditors;
- Reviewing the performance of the Fund's independent auditors;
- Reviewing financial information contained in public filings of the Fund prior to filing;
- Reviewing earnings announcements of the Fund prior to release to the public;
- Overseeing the Fund's systems of internal financial controls and management's compliance for reporting on internal controls;
- Monitoring the Fund's auditing, accounting and financial reporting processes, including the risk of fraud and error; and
- Resolving complaints regarding accounting, internal accounting controls or auditing practices.

Composition

The Audit Committee shall be composed of not less than three members.

The members of the Audit Committee shall: (i) be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee; and (ii) meet the independence and experience requirements of all applicable corporate, exchange and securities act rules, instruments and regulations in Canada (the "Regulations") including, but not limited to the Toronto Stock Exchange ("TSX") and Canadian national and provincial securities rules and regulations.

All members of the Audit Committee shall be "financially literate" as such term is defined by the Regulations. Notwithstanding the foregoing, a member who is not financially literate may be appointed to the Audit Committee provided that the member becomes financially literate within a reasonable period of time following his or her appointment.

The members of the Audit Committee shall be appointed by the Board. Once appointed, members shall serve for a one year term unless they resign, and may be reappointed to serve consecutive terms.

The Board shall normally designate the Chair of the Audit Committee. In the event that a Board designation is not made, the members of the Audit Committee shall elect a Chair by majority vote of the full Audit Committee membership.

In the event that the Chair of the Audit Committee does not attend a meeting of the Audit Committee, the members of the Audit Committee shall elect a temporary Chair for such meeting by majority vote of the members in attendance at the meeting.

Meetings

The Audit Committee shall meet at least quarterly, and may meet as often as it determines necessary in fulfilling its duties.

Greater than 50% of Audit Committee membership is required for meeting quorum.

Meetings of the Audit Committee shall normally be attended by the CEO and CFO of the Fund. Others may also attend meetings as the Audit Committee may request.

The Audit Committee shall meet at least annually with the independent auditor in a separate in-camera session.

The Audit Committee shall have access to any officer or employee of the Fund or the Fund's outside counsel or independent auditor. The independent auditor will have direct access to the Committee at their own initiative.

Resolutions

Resolutions of the Audit Committee shall require approval by a simple majority of members voting on such resolution.

Responsibilities

The Audit Committee shall document minutes from each meeting held and such minutes shall be made available to all members of the Board. The Audit Committee will report periodically the committee's findings and recommendations to the Board.

Independent Auditor

With respect to the Fund's independent auditors the Audit Committee shall:

- have the sole authority to recommend to the Board the appointment or replacement of the independent auditor (subject, if applicable, to unitholder approval)
- have the independent auditor report directly to the Audit Committee
- meet with the independent auditor prior to the annual audit to discuss the planning, scope and staffing of the audit
- be directly responsible for establishing the compensation of the independent auditor, subject to applicable board and unitholder approval
- ensure the periodic rotation of the audit partner having primary responsibility for the audit and the engagement quality control partner as required by independence standards

- at least on an annual basis, evaluate the qualifications, performance and independence of the independent auditor and the audit partner having primary responsibility for the audit, including considering whether the auditor's quality controls are adequate
- obtain and review a report from the independent auditor at least annually regarding: (i) the independent auditors' internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or raised by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (iii) any steps taken to deal with any issues, and (iv) all relationships between the independent auditor and the Fund
- review and approve the Fund's hiring policies regarding partners, employees, or contractors of the independent auditor
- pre-approve all auditing services and permitted non-audit services (including fees and terms thereof) to be performed for the Fund or its subsidiaries by its independent auditor
- oversee the work of the independent auditor, including the resolution of disagreements between management and the independent auditor regarding financial reporting

Financial Reporting

With respect to the Fund's reporting of unaudited quarterly financial results, the Audit Committee shall:

- Prior to their public release and filing with securities regulatory agencies, review and discuss with management the:

    - press release
    - consolidated financial statements and notes thereto
    - management's discussion and analysis

  The Audit Committee must be satisfied that adequate procedures are in place for the review of the Fund's public disclosure of financial information extracted or derived from the Fund's financial statements and shall periodically assess the adequacy of such procedures

- The review of the Fund's unaudited quarterly financial results shall include, but not be limited to:

    - any significant judgments made in the preparation of financial statements
    - the extent to which changes or improvements in financial or accounting practices have been implemented
    - significant financial reporting issues identified in connection with the preparation of the Fund's financial statements, including any significant changes in the Fund's selection or application of

accounting principles, any major issues as to the adequacy if the Fund's internal controls and any special steps adopted in light of material control deficiencies
    - the Fund's use of non-GAAP information
    - the Fund's use of forward-looking financial guidance
    - critical accounting policies and practices
    - the effect of regulatory and accounting initiatives
    - off-balance sheet structures on the Fund's financial statements
    - management certifications of reports filed by the Fund pursuant to the Regulations
    - integrity of the Fund's financial reporting processes
    - any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Fund's financial statements or accounting policies

- Recommend to the Board whether the unaudited financial results should be approved by the Board

Annual Audit

With respect to the Fund's annual audit, the Audit Committee shall:

- Prior to their public release and filing with securities regulatory agencies, review and discuss with management and the independent auditor the:

    - consolidated financial statements and notes thereto
    - press release
    - management's discussion and analysis
    - results of the audit performed by the independent auditor

- The review of the Fund's audited financial results shall include, but not be limited to:

    - all matters described above with respect to unaudited quarterly financial results
    - results of the audit performed by the independent auditor
    - any significant disagreements among management and the independent auditors in connection with the preparation of financial statements
    - matters required to be discussed by CICA Handbook 5751 – Communications with Those Having Oversight Responsibility for the Financial Reporting Process, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management

    - any written communications between the independent auditors and management (e.g., management letters, schedule of unadjusted differences)

- Recommend to the Board whether the audited financial results should be approved by the Board

Regulatory Filings

The Audit Committee shall review and recommend to the Board the approval of all documents filed with securities regulatory agencies including, but not limited to:

- The Annual Report
- The Annual Information Form
- Management Proxy Circulars
- Executive Compensation Statements
- Prospectuses

Accounting, Internal Accounting Controls or Auditing Practice Complaints

The Audit Committee shall have procedures for the receipt, retention and treatment of confidential or anonymous complaints received by the Fund regarding accounting, internal accounting controls or auditing practice matters.

Fraud

The Audit Committee shall inquire of management on a periodic basis whether there has been any incident of fraud or any changes to internal controls specifically designed to prevent or detect fraud.

Legal Matters

The Audit Committee shall review with management, and if necessary, the Fund's counsel, any legal matter which could reasonably be expected to have a material impact on the Fund's financial statements or accounting policies.

Risk Management

The Audit Committee shall discuss with management the Fund's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Fund's risk assessment and risk management policies including the use of derivative financial instruments. Areas to be considered in this respect include, but are not limited to:

- insurance coverage
- foreign currency exposure
- interest rate exposure

Internal Controls

The Audit Committee shall review and assess the Fund's system of internal controls, control culture, and risk assessment and control activities and shall ensure that management has designed and implemented an appropriate internal control system.

Corporate Knowledge

The Audit Committee shall strive to expand continually its knowledge of the Fund's activities.

Review of Charter

The Audit Committee shall review and reassess the adequacy of this Charter annually.

Self Assessment

The Audit Committee shall annually review the Audit Committee's own performance.

Other

The Audit Committee shall undertake any other activities consistent with this Charter, the Fund's by-laws and governing law, that the Audit Committee or the Board deem necessary or appropriate.

Approval of Charter

This Audit Committee charter requires approval by the Board.

Future changes to this charter require approval by the Board based on the recommendation of the Audit Committee.

Other Advisors

The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors including consulting with the national office of the independent auditor. The Fund shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Audit Committee.

Limitation

While the Audit Committee has the responsibilities and power set forth in this Charter, it is the responsibility of management and the independent auditor - not the Audit Committee - to plan or conduct audits or to determine that the Fund's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations.