BMTC GROUP INC.
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

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NOTICE IS HEREBY GIVEN THAT the annual meeting of shareholders of BMTC Group Inc. (the "**Corporation**") will be held at the Montreal Exchange Auditorium situated at The Stock Exchange Tower, 4th floor, 800 Victoria Square, Montreal, Province of Québec, on April 13th, 2017, at 2:00 p.m. (Montreal time), for the following purposes:

1. To receive the Management's Report, the Consolidated Financial Statements of the Corporation and the Auditors' Report for the fiscal year ended December 31st, 2016;
2. To elect the directors;
3. To appoint the auditors and authorize the directors to fix their remuneration;
4. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Management Information Circular of the Corporation and a Form of Proxy for the meeting accompany this notice.

BY ORDER OF THE BOARD OF DIRECTORS

(s) Marie-Berthe Des Groseillers

Marie-Berthe Des Groseillers
Vice President and Chief of Operations and Secretary

Montreal, Québec, February 20th, 2017

Holders of shares may exercise their rights by attending the meeting or by completing a Form of Proxy. Since it is desirable that as many shares as possible be represented and voted at the meeting, shareholders who are unable to attend the meeting in person are urged to complete and return the enclosed Form of Proxy in the self-addressed envelope provided for that purpose as soon as possible.

BMTC GROUP INC.

MANAGEMENT INFORMATION CIRCULAR

PERSONS MAKING THE SOLICITATION

This Management Information Circular is provided in connection with the solicitation by management of BMTC Group Inc. (the "Corporation" or "us," "we," "our" and other similar terms) of proxies to be used at the annual meeting of shareholders of the Corporation to be held on April 13th, 2017 at the time and place and for the purposes set forth in the foregoing Notice of Meeting and at any and all adjournments thereof.

The solicitation is being made primarily by mail; however, our directors, officers and regular employees may also solicit proxies by telephone, other electronic means or in person. The cost of the solicitation will be borne by us.

Except as otherwise indicated, the information herein contained is given as of February 20th, 2017.

PROXY INSTRUCTIONS

Right to Vote

Only a shareholder of record registered with the Corporation at the close of business on the record date, being March 3rd, 2017 will be entitled to receive notice of and to vote at the meeting or at any and all adjournments thereof. However, a transferee who has acquired shares after the record date will be entitled to exercise the voting right attached to said shares at the meeting or any adjournment thereof, provided he produces duly endorsed share certificates representing the shares or otherwise establishes his ownership of the shares and provided he has requested, not later than 10 days prior to the meeting, that his name be registered on the list of shareholders entitled to receive the Notice of Meeting, which list is drawn up as of the record date.

Proxy

The persons named in the enclosed Form of Proxy are directors or officers of the Corporation. These persons will vote all the shares in respect of which they are appointed to act in accordance with the instructions indicated on the proxy.

You have the right to appoint a person (who need not be a shareholder) to act for and on your behalf at the meeting, other than the persons designated in the Form of Proxy. To do so, you must insert the name of your proxyholder in the blank space provided for that purpose on the Form of Proxy.

The votes attaching to the shares will be voted or withheld from voting in accordance with your instructions to the proxyholder and, if you have specified a choice, your shares will be voted accordingly. If no instructions are given, the shares represented by proxy shall be exercised IN FAVOUR of the matters mentioned in the foregoing Notice of Meeting.

The enclosed Form of Proxy confers upon the proxyholder discretionary authority as regards amendments to the matters set forth in the Notice of Meeting and all other business, which may properly be brought before the meeting and all adjournments thereof. Management of the Corporation is not aware of any such amendment or other business that may come before the meeting. **If, however, such amendments or other matters do properly come before the meeting or any adjournment thereof, the shares represented by the Form of Proxy will be voted at the discretion of the proxyholder**.

Deadline for Sending Proxies

Any proxy to be used at the meeting must be received no later than at the close of business on April 11th, 2017 by our transfer agent, Computershare Investor Services Inc.

Right to Revoke Proxies

You may revoke your proxy at any time before it is used and in any manner prescribed by law, including by written instrument or through your representative, duly authorized in writing, or, in the case of a shareholder who is a legal person, by written instrument executed by a member of its management or a representative duly authorized in writing thereby. The instrument must be filed at the transfer agent's office at any time on or before the last business day before the meeting, or presented to the secretary of that meeting on the day of the meeting.

The authority conferred upon the proxyholder may also be revoked if you attend the meeting in person and make a request to that effect.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As at February 20th, 2017, we had 36,777,400 Common issued and outstanding.

As at February 20th, 2017, to the knowledge of our executive officers and directors, only the following natural or legal persons beneficially owned, or controlled or directed, directly or indirectly, voting shares carrying 10% or more of the voting rights attached to any class of outstanding shares of the Corporation:

Name of Shareholder	Number of Common Shares	Percentage of Common Shares outstanding
Yves Des Groseillers and A. Bélanger (Détail) Ltée (1)	21,269,552	57.83%
Fidelity Management & Research Company (2)	6,300,000	17.13%

(1) A corporation controlled by Mr. Yves Des Groseillers, Chairman of the Board, President and Chief Executive Officer of the Corporation.
(2) Based on publicly available information on SEDAR on February 20th, 2017 at www.sedar.com.

FINANCIAL STATEMENTS AND AUDITORS' REPORT

The consolidated financial statements for the financial year ended December 31st, 2016 and the Auditors' report thereon are part of the 2016 annual report and are available under the Corporation's SEDAR profile at www.sedar.com. A presentation of such documents will be made to the shareholders at the meeting, but no vote is required thereon.

ELECTION OF DIRECTORS

According to our articles, our Board of Directors may have no less than six and no more than fifteen members. Our by-laws provide that our affairs must be managed by a Board of Directors consisting of the number of members set out in our articles. The number of directors to be elected at the annual and special meeting of shareholders is determined by the Board of Directors prior to the meeting, or, if the Board of Directors fails to do so, the number will be determined at the meeting. The number of directors to be elected has been set at nine for the meeting contemplated by this circular. As you will notice it in the enclosed Form of Proxy, the shareholders can vote for each director individually.

Although the Corporation is exempted from this requirement, we have adopted a Majority Voting Policy whereby proxy forms for shareholders' meetings at which directors are to be elected will enable the shareholder to vote for or to withhold from voting for each individual nominee. If, with respect to any particular nominee, the number of votes withheld exceeds the number of votes for the nominee, then, for the purpose of this policy, the nominee will be considered not to have received the confidence and support of the shareholders, even though duly elected as a matter of corporate law. A person elected as a director who is considered for the purpose of this policy not to have received the confidence and support of the shareholders is required to immediately tender his or her resignation as a director, to be effective on acceptance by the Board of Directors. The Board of Directors will consider the tendered resignation and disclose by news release its decision whether or not to accept that resignation and the reasons for its decision no later than 90 days after the date of the relevant shareholders' meeting. The Board of Directors will accept the tendered resignation, absent exceptional circumstances. In considering whether or not to accept the tendered resignation, the Board of Directors will consider all factors that it deems in its discretion to be relevant, including, without limitation, any stated reasons why shareholders withheld votes for election of such director, the length of service and qualifications of the director whose resignation has been tendered, the director's contribution to the Corporation and the Corporation's corporate governance policies.

Each director will hold office until the next annual meeting of shareholders or until his successor is elected or appointed, unless he resigns or his office becomes vacant by reason of death or otherwise.

The persons named in the enclosed Form of Proxy intend to vote IN FAVOUR of the election as directors of each of the nominees whose names are set forth in the table below. Management does not foresee that any of these nominees will be unable or unwilling to serve as a director for any reason whatsoever, but if such were the case for any reason prior to the election, the persons named in the enclosed Form of Proxy reserve the right to vote for another nominee of their choice, in accordance with the discretionary authority granted by the Form of Proxy.

The following table lists the names and place of residence of all individuals proposed by the Management of the Corporation for election as directors, all other positions and offices they hold within the Corporation, their principal occupation, the month and the year they became directors of the Corporation for the first time and the number of Common Shares of the Corporation that each of them beneficially owned or controlled or directed, directly or indirectly, as at February 20th, 2017.

Name, place of residence, office within the Corporation and principal occupation	Director since	Number of shares beneficially owned or controlled or directed, directly or indirectly, by each nominee as at February 20th, 2017
		Common Shares
ANDRÉ BÉRARD (Québec, Ca) */** Lead Director of the Corporation and Corporate Director	April 2001	59,263
LUCIEN BOUCHARD (Québec, Ca) ** Partner, Davies Ward Phillips & Vineberg LLP (Law firm)	April 2004	43,263
GABRIEL CASTIGLIO (Québec, Ca) *** Partner, Fasken Martineau DuMoulin LLP (Law firm)	May 2015	5,023
GILLES CRÉPEAU (Québec, Ca) *** President, Bertrand Crépeau & Fils Inc. (Investment Company)	November 1989	12,678 (1)
YVES DES GROSEILLERS (Québec, Ca) Chairman of the Board, President and Chief Executive Officer of the Corporation	September 1989	21,269,552 (2)
CHARLES DES GROSEILLERS (Québec, Ca) Vice President, A. Bélanger (Détail) ltée (Investment Company)	April 2002	20,000
MARIE-BERTHE DES GROSEILLERS (Québec, Ca) Vice President and Chief of Operations of the Corporation and Secretary of the Corporation	April 2005	32,753
TONY FIONDA (Québec, Ca) */** Senior Vice President Octane Capital Inc.	April 2012	11,933
PIERRE OUIMET (Québec, Ca) */*** President, 9072-1762 Québec Inc. (Investment Company)	September 1989	12,678 (3)

* Member of the Audit Committee.
** Member of the Human Resources and Corporate Governance Committee.
*** Member of the Investment Committee.

(1) Shares held by Bertrand Crépeau et Fils Inc., a corporation controlled by Mr. Gilles Crépeau, Director of the Corporation.
(2) Substantially all of such Common Shares are held by A. Bélanger (Détail) ltée, directly and indirectly, a corporation controlled by Mr. Yves Des Groseillers, Chairman of the Board, President and Chief Executive Officer and Director of the Corporation.
(3) Shares held by 9072-1762 Québec Inc., a corporation controlled by Mr. Pierre Ouimet, Director of the Corporation.

Mr. André Bérard currently sits on the board of directors of TFI International Inc., a public company.

Mr. Lucien Bouchard currently sits on the board of directors of TFI International Inc., a public company.

COMPENSATION DISCUSSION AND ANALYSIS

Objectives of Compensation Program

The objectives of the compensation program of the Corporation are to offer executive officers a competitive compensation that reflects the duties they have carried out and their individual performance. The salaries of all executive officers must be competitive with those offered by employers of comparable size carrying on business in sectors of activities that are comparable to ours. The philosophy adopted by our Board of Directors and its Human Resources and Corporate Governance Committee, which provides that compensation is a function of performance, plays an essential role in maintaining our positioning within a competitive commercial environment.

The compensation plan for the President and Chief Executive Officer of the Corporation and the four other most highly compensated executive officers of its subsidiary and two divisions (collectively, the "**Named Executive Officers**") may consist of up to three elements: a base salary, option-based awards and retirement agreements.

The Corporation believes that the terms and conditions of the compensation program procure an overall annual compensation for the Named Executive Officers that allows the Corporation to secure their loyalty.

Elements of Compensation Program, Determination of Amounts for each Element, Rationale for Amounts of each Element

The compensation program of the Named Executive Officers may consist of up to three elements: a base salary, option-based awards and retirement agreements. The compensation policies and guidelines for the Named Executive Officers, other than the President and Chief Executive Officer, Mr. Yves Des Groseillers, are recommended by the President and Chief Executive Officer, approved by the Human Resources and Corporate Governance Committee and are further approved by the Board of Directors of the Corporation. The compensation of the President and Chief Executive Officer of the Corporation is analyzed by the Human Resources and Corporate Governance Committee, which examines the Corporation's performance and that of the President and Chief Executive Officer in order to recommend the applicable compensation to the Board of Directors. The compensation of the President and Chief Executive Officer of the Corporation is ultimately approved by the Board of Directors of the Corporation.

The overall purpose is to attract and retain competent and devoted persons who will ensure the long-term success of the Corporation. The Corporation believes that the current level of compensation of the Named Executive Officers allows it to ensure their loyalty. In this regard, the Corporation is particularly proud of the fact that four of the five Named Executive Officers have been employed by the Corporation or one of its subsidiary for at more than 25 years.

The Corporation does not benchmark compensation levels against a specific group of peers to establish the compensation of each of its Named Executive Officers. However, the Corporation remains informed in regard to the compensation practices established and disclosed by certain public companies, which are selected based on the following criteria: comparable sales and market capitalization, comparable sector of activity i.e. retail and more specifically, the sale of furniture, electronic goods and household appliances, and a significant presence in markets served by the Corporation. However, the Corporation does not systematically review these practices, namely due to the fact that there is not a significant number of public companies that are retailers of furniture, electronic goods and household appliances mainly in the Province of Québec.

Base Salary

Base salaries paid to Named Executive Officers are reviewed annually based on the scope of responsibilities and competence of the Named Executive Officer and his contribution to the success of the Corporation.

For each of the President and Chief Executive Officer and the Vice President and Chief of Operations of the Corporation, the President of Brault & Martineau and EconoMax division and the Vice President of Ameublements Tanguay Inc., a portion of the base salary of no less than $50,000, which may however be increased by the Named Executive Officer to an amount not exceeding 25% of its base salary, will be payable in Common Shares to be purchased by the Corporation on the Toronto Stock Exchange for the Named Executive Officers in question. The Corporation assumes the applicable commission for such purchases. These four Named Executive Officers of the Corporation must also accumulate and hold a number of shares throughout the entire period they hold office as senior executives of the Corporation and its divisions, Brault & Martineau and EconoMax, or of its subsidiary, with a value equal to twice their base salary.

Option-Based Awards

The Stock Option Plan for directors, officers and employees of the Corporation and its subsidiaries was instituted by the Corporation's predecessor and was continued and adopted by our Board of Directors on November 1st, 1989 as part of the reorganization that established the Corporation (the "**Plan**").

As previously disclosed in this circular, the Corporation aims to retain executive officers which will ensure the long term success of the Corporation. The primary objective of the Plan is to motivate executive officers to create long term economic value for the Corporation and its shareholders by linking a part of their compensation to this creation of value. The Plan is a contributing factor in the retention of Named Executive Officers.

The Corporation does not have a stock options attribution policy providing for the automatic grant of options when certain objectives are met or when a predetermined event occurs. By recommendation of the Human Resources and Corporate Governance Committee, the Board of Directors of the Corporation can, at its discretion, grant stock options when it deems appropriate to do so.

The Corporation does not preclude Named Executive Officers from purchasing financial instruments designed to hedge or offset a decrease in the market value of the equity securities they hold.

Retirement Agreements

This is completed by retirement benefits for executive officers. The benefits awarded to Named Executive Officers are summarized under the heading "Pension Plan Benefits" of this Management Information Circular.

Risks Associated with the Corporation's Compensation Policies and Practices

The Human Resources and Corporate Governance Committee as well as the Board of Directors of the Corporation have analyzed the risks associated with the Corporation's compensation policies and practices and have concluded that they are not reasonably likely to have a material adverse effect on the Corporation due to the following factors:

- The compensation expense attributable to executive officers represents less than 0.64% of the Corporation's revenue.
- The President and Chief Executive Officer of the Corporation holds an equity interest in ordinary shares of the Corporation of approximately 57.83%.
- The majority of the Named Executive Officers have been working for the Corporation for over 25 years.
- The compensation policies are simple, transparent and structured similarly for all of the executive officers.

Summary Compensation Table:

The following table sets forth the annual compensation, including total compensation for the financial years ended December 31st, 2016, 2015, and 2014 for the Named Executive Officers:

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
Yves Des Groseillers President and Chief Executive Offer	**2016** 2015 2014	**724,000** 700,000 685,000	**100,000 (3)** 100,000 (3) 100,000 (3)	**-** - -	**-** - -	**-** - -	**217,700** 168,000 203,900	**-** - -	**1,041,700** 968,000 998,300
Marie-Berthe Des Groseillers(5) Vice President and Chief of Operations and Secretary	**2016** 2015 2014	**424,000** 410,000 255,000	**60,000 (3)** 60,000 (3) -	**-** - -	**-** - -	**-** - -	**1,788,600(5)** - -	**-** - -	**2,272,600** 470,000 255,000
Guy Brouillette President Brault & Martineau and EconoMax	**2016** 2015 2014	**450,000** 435,000 371,000	**60,000 (3)** 60,000 (3) -	**-** - -	**-** - -	**-** - -	**121,700** 1,402,200 110,300	**-** - -	**631,700** 1,897,200 481,300
Maurice Tanguay (1) (2) President Ameublements Tanguay	**2016** 2015 2014	208,000 208,000 212,000	**-** - -	**-** - -	**-** - -	**-** - -	**-** - -	**-** - -	**208,000** 208,000 212,000
Jacques Tanguay (1) (2) Vice President Ameublements Tanguay	**2016** 2015 2014	337,223 337,223 316,218	**60,000 (3)** 60,000 (3) 60,000 (3)	**-** - -	**-** - -	**-** - -	**156,200** 110,000 125,200	**36,094 (4)** 36,094 (4) 36,094 (4)	**589,517** 543,317 537,512

(1) The services of Messrs. Maurice Tanguay et Jacques Tanguay, respectively President and Vice President and General Manager of Ameublements Tanguay Inc., are provided through Gestion Maurice Tanguay Inc., a corporation controlled by Mrs. Jacques Tanguay. We have paid management fees of $1,506,541, $1,161,253 and $1,127,430 respectively, to Gestion Maurice Tanguay Inc. for the fiscal years ended December 31st, 2016, 2015 and 2014, for services rendered by these Named Executive Officers and their support personnel. The management contract ensures the management of the affairs of Ameublements Tanguay Inc., including the management of personnel, the supervision of purchases and ensuring the growth of revenues. The contract is renewed annually for another one-year term unless notice to the contrary is given by either party to the agreement.

(2) The amounts shown under "Salary ($)" are amounts of salaries directly paid by Gestion Maurice Tanguay Inc. for the fiscal years in question.

(3) See section "Base Salary" in this Management Information Circular. For each of the President and Chief Executive Officer and the Vice President and Chief of Operations of the Corporation, the President of the Brault & Martineau and EconoMax divisions and the Vice-President of Ameublements Tanguay Inc., a portion of the base salary of no less than $50,000 and up to 25% of the base salary will be payable in Common Shares to be purchased by the Corporation on the Toronto Stock Exchange.

(4) The amounts shown under "All other compensation" are the amounts of dividends paid by Gestion Maurice Tanguay Inc. for the fiscal years in question.

(5) The years of services (12 years) have been recognized for Mme Marie-Berthe Des Groseillers in the pension plan.

Pension Plan Benefits

We entered into a standard retirement agreement with four (4) of our Named Executive Officers, Messrs. Yves Des Groseillers, Guy Brouillette, Jacques Tanguay and Mme Marie-Berthe Des Groseillers (each a "**Participant**") regarding a defined retirement benefit program (the

“**Retirement Benefits Plan**”), in order to provide Participants with a monthly retirement income for life. These standard retirement agreements came into effect in December 2000.

In 2003, amendments to the standard retirement agreements were also awarded to the President and Chief Executive Officer the benefit of a pension 100% reversible to his surviving spouse and conferred upon the Vice-President, Jacques Tanguay of our subsidiary, Ameublements Tanguay inc. the benefit of full pension benefits upon retirement at age 55, except upon voluntary termination of employment or termination for cause during the first five years of participation in the supplementary plan.

In 2015, amendments to the standard retirement agreements for M. Jacques Tanguay awarded that the final average salary in regards to the years credited services recognised before the 1st day of the month following 55 years old is limited to the final average salary calculated assuming that he had retired the 1st day of the month following 55 years old.

The annual retirement benefit to which a Participant is eligible throughout his lifetime pursuant to the Retirement Benefits Plan upon turning 60 represents 2% of the average eligible salary of the three most highly compensated consecutive years of service of the Participant, multiplied by the number of years of service.

These retirement benefit amounts do not take into account any pension or annuity payable to a Participant pursuant to the Québec Pension Plan to which we have contributed.

The Retirement Benefits Plan also includes terms and conditions regarding early retirement as of 55 years of age, the rights of a Participant’s beneficiaries to receive retirement allowances until the expiry of a 10-year period following retirement should the Participant die prior to such date, payment to the Participant’s beneficiaries of the actuarial value of the retirement allowance in the event of death prior to 65 years of age and other payment terms in the event of the termination of employment prior to 55 years of age.

A deemed salary is declared annually by the Corporation for executive officers of Ameublements Tanguay Inc.

The foregoing amounts are not subject to any deduction for social security or other offset amount.

Defined Benefit Plans Table

The following table illustrates annual pension benefits payable and accrued obligations for each of the four (4) Named Executive Officers as of December 31st, 2016 and at age 60 under the Corporation's defined benefit pension plan.

Name	Number of years credited service (#)	Annual benefits payable [(1)] ($)		Accrued obligation at start of year [(2)] ($)	Current service costs ($)	Compensatory change[(3)] ($)	Non-compensatory change[(4)] ($)	Accrued obligation at year end [(5)] ($)
		At year end	At age 60					
Yves Des Groseillers	30,25	493,700	493,700	7,092,200	242,500	(24,800)	224,700	7,534,600
Marie-Berthe Des Groseillers	12,00	116,200	320,200	-	134,200	1,654,400	-	1,788,600
Guy Brouillette	36,47	372,000	438,300	4,817,300	148,200	(26,500)	393,100	5,332,100
Jacques Tanguay	33,45	317,100	358,700	5,314,900	157,300	(1,100)	(146,500)	5,324,600

(1) Based on earnings and credited services up to December 31st, 2016, being the plan measurement date used in the Corporation's audited financial statements.
(2) The accrued obligation at the start of the year is the value of the projected pension earned for services to December 31st, 2016 based on disclosure assumptions as at December 31st, 2015, being the plan measurement date used in the Corporation's audited financial statements of 2016.
(3) The compensatory change in the accrued obligation for the 2016 financial year from January 1st, 2016 and December 31st, 2016 is due to differences between actual and assumed compensation.
(4) The non-compensatory change in the accrued obligation for the 2016 financial year from January 1st, 2016 and December 31st, 2016 is due to accumulated interest of obligation at the start of the year, and assume changes in interest rates as well as retirement age assumption.
(5) The accrued obligation is the value of the projected pension earned for services based on disclosure assumptions as at December 31st, 2016, being the plan measurement date used in the Corporation's audited financial statements for the 2016 financial year.

Termination and Change of Control Benefits

None of the Named Executive Officers have entered into contracts, agreements, plan or arrangements that provide for payments at, following or in connection with any termination (whether voluntarily, involuntarily or constructive), resignation, retirement (other than as otherwise disclosed herein), a change in control of the Corporation or a change in a Named Executive Officer's responsibilities.

Compensation of Directors

Our compensation policy is to pay our directors an annual amount of $75,000 each, regardless of whether they sit on a Board committee, of which $37,500 will be payable in cash and $37,500 in Common Shares of the Corporation, which are purchased by the Corporation on the Toronto Stock Exchange for the director in question and for which we assume the purchase cost.

When deemed appropriate, the Corporation may grant stock options to the directors. No stock options were granted to the directors during the fiscal year ended December 31st, 2016.

Yves Des Groseillers, Chairman, President and Chief Executive Officer of the Corporation and Marie-Berthe Des Groseillers, Vice President and Chief of Operations and Secretary, do not receive any compensation for their services as directors.

Each director must hold the shares granted as payment of its annual compensation until two years following the date he no longer holds office as a director of the Corporation, and he will be called upon to accumulate, over a 5-year period, an equity share participation value of a minimum of $150,000. Once a director accumulates an equity share participation value of $150,000, he has the option to receive payment of his annual compensation in cash only, being an amount of $75,000, or he may elect to receive $37,500 payable in cash and $37,500 in Common Shares of the Corporation, which are purchased by the Corporation on the Toronto Stock Exchange for the director in question and for which we assume the purchase cost.

As at February 20th, 2017, all the directors of the Corporation were in compliance with the $150,000 minimum equity share participation value requirement, with the exception of the following directors:

(i) Mtre Gabriel Castiglio, who has been a director for less than five years;

The Corporation does not preclude directors from purchasing financial instruments designed to hedge or offset a decrease in the market value of the equity securities they hold.

The following table discloses, for each director of the Corporation (except for Yves Des Groseillers and Marie-Berthe Des Groseillers who are also Named Executive Officers), the compensation received during the financial year ended December 31st, 2016:

Name	Fees earned	Share-based grants (2)	Option-based grants	Non-equity incentive plan compensation	Pension Value	All other compensation	Total
André Bérard	$37,500	$37,500	–	–	–	–	$75,000
Tony Fionda	$37,500	$37,500	–	–	–	–	$75,000
Lucien Bouchard	$37,500	$37,500	–	–	–	–	$75,000
Gilles Crépeau	$37,500	$37,500					$75,000
Charles Des Groseillers (1)	$75,000	–	–	–	–	$155,000 (1)	$230,000
Pierre Ouimet	$37,500	$37,500					$75,000
Gabriel Castiglio	$37,500	$37,500	–	–	–	–	$75,000
Total	$300,000	$225,000	–	–	–	$155,000	$680,000

(1) Charles Des Groseillers is an employee of the Corporation. As such, he receives a salary. However, he is not a Named Executive Officer.

(2) As stated above, the Corporation pays $37,500 to each director in Common Shares to be purchased by the Corporation on the Toronto Stock Exchange. These grants do not depend on achieving certain performance goals or similar conditions during the financial year. Once a director accumulates an equity share participation value of $150,000, he has the option to receive payment of his annual compensation in cash only, being an amount of $75,000, or he may elect to receive $37,500 payable in cash and $37,500 in Common Shares of the Corporation, to be purchased by us on the Toronto Stock Exchange.

Incentive plan awards – Value vested or earned during the financial year

The following table discloses, for each director of the Corporation (except for Yves Des Groseillers and Marie-Berthe Des Groseillers who are also Named Executive Officers), for the financial year ended December 31st, 2016, the value at the time of purchase of Common Shares purchased by the Corporation on the Toronto Stock Exchange for the directors in accordance with the Corporation's director compensation policy.

Name	Option-based awards - Value vested during the year ($)	Share-based awards - Value vested during the year (1) ($)	Non-equity incentive plan compensation - Value earned during the year ($)
André Bérard	–	37,500	–
Lucien Bouchard	–	37,500	–
Gilles Crépeau	–	37,500	–
Charles Des Groseillers	–	–	–
Tony Fionda	–	37,500	–
Pierre Ouimet	–	37,500	–
Gabriel Castiglio	–	37,500	–

(1) The amount represents the value at the time of purchase of the Common Shares purchased by the Corporation on the Toronto Stock Exchange for the directors in accordance with the Corporation's director compensation policy. See section "Compensation of Directors" in this Management Information Circular.

Equity compensation plan information

The following table discloses, as at December 31st, 2016, information relating to the equity compensation plans pursuant to which equity securities of the Corporation may be issued.

Plan category	Number of securities to be issued upon exercise of the options in circulation (a)	Weighted-average exercise price of options in circulation (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by shareholders	219,000	$17.85	5,710,864

Stock Option Plan

The Stock Option Plan for directors, officers and employees of the Corporation and its subsidiaries was adopted by the Board of Directors on November 1st, 1989 as part of the reorganization that established the Corporation. Over the years, the Plan was amended so that its provisions would comply with regulatory changes, to increase the maximum number of shares that may be issued under the Plan, and to include the option, for the holder, to request payment of a cash amount instead of a subscription for our share capital.

The maximum number of shares issuable to one person under the Plan must not exceed 5% of the number of issued and outstanding Common Shares on each date of grant of options.

The Plan provides that options are non-transferable with the exception of the following. In accordance with the Plan, an option holder can donate all or part of their options in favor of a charitable organization (as such term is defined under the *Income Tax Act* (Canada)), subject to meeting all of the following conditions:

(a) the options must be donated;

(b) the donation must be in favour of a charitable organization (as such term is defined under the *Income Tax Act* (Canada)), duly registered under applicable legislation;

(c) the charitable organization benefiting from the donation of the options must exercise all of the options donated within three (3) business days following the date of the donation; and

(d) the exercise of the options by the charitable organization must be made by the payment of an amount of money instead of a subscription for shares of the Corporation's share capital. Accordingly, the charitable organization may not elect to subscribe for the shares underlying the options which have been donated to it. The charitable organization may only receive the payment of an amount of money representing the difference between the market price of the Common Shares and exercise price of the option.

Failure to meet any of the conditions listed above will result in the options which have been donated being annulled.

The Board of Directors may determine, from time to time and in its entire discretion, to whom options may be granted, the grant dates and the frequency at which each of the option holders may exercise their options.

The subscription price of the shares which may be issued under the Plan is equal to the closing price of the Common Shares on the Toronto Stock Exchange on the date of grant of the option. The option price is payable in full at the time the option is exercised. An option may be exercised during a period that may vary but will not exceed 10 years following the date of the grant of the said option. In the event of a termination of employment of an option holder (either as a result of a voluntary termination of employment, dismissal, layoff or otherwise), each option held expires at the latest 3 months after the date of termination of employment. In the event of a death of an option holder while such option holder is performing its functions with the Corporation, each option held by such holder expires at the latest one year following the date of death.

The Plan includes the option for the holder to request payment of an amount of money instead of a subscription for our share capital. Accordingly, any option which is currently issued or which will be issued pursuant to the Plan will enable its holder to opt for:

(a) The issue of a Common Share of the Corporation's share capital upon payment of the exercise price of the option, or

(b) The payment of an amount of money representing the difference between the market price of the share (for example, the closing price of the Common Shares on the Toronto Stock Exchange on the trading day preceding the date on which the exercise notice is received by the Corporation, or, if there was no trades of the Corporation's shares on such date, the average (rounded to the nearest cent) of the closing bid and ask prices on such date) and the exercise price of the option, in which case the stock option shall be cancelled after having been exercised by its holder.

Shareholder approval is required to amend the Plan.

There is no financial assistance available to option holders under the Plan.

During the financial year ended December 31st, 2016, no options were granted. As at February 20th, 2017, options regarding 219,000 Common Shares, representing 0.60% of the issued and outstanding shares of the Corporation, therefore remain outstanding and 5,710,864 options, representing 15.53% of the issued and outstanding shares of the Corporation, may still be granted pursuant to the Plan. The outstanding options can be exercised at the price of $17.85 per Common Share.

Outstanding Option-based Awards

The following table discloses the number of options held at the beginning of the financial year, the number of options granted during the financial year and the number of options exercised during the financial year ended December 31st, 2016, the aggregated value realized upon exercise and the total number and value of unexercised options held as of December 31st, 2016.

Name	Number of securities underlying unexercised options January 1, 2016 (Number)	Options granted during the Financial Year (Number)	Number of securities underlying unexercised options transferred during the period (Number)	Option exercise price ($)	Number of securities cancelled following the radiation of options (Number)	Aggregated value realised ($)	Option expiration date	Number of securities underlying unexercised options December 31, 2016 (Number)	Value of unexercised in-the-money (1) options	
									Exercisable ($)	Non exercisable ($)
Yves Des Groseillers	131,400	-	-	17.85	-	-	01/04/20	131,400	-	-
Jacques Tanguay	21,900	-	-	17.85	-	-	01/04/20	21,900	-	-
André Bérard	10,950	-	-	17.85	-	-	01/04/20	10,950	-	-
Lucien Bouchard	10,950	-	-	17.85	-	-	01/04/20	10,950	-	-
Gilles Crépeau	10,950	-	-	17.85	-	-	01/04/20	10,950	-	-
Charles Des Groseillers	10,950	-	-	17.85	-	-	01/04/20	10,950	-	-
Marie-Berthe Des Groseillers	10,950	-	-	17.85	-	-	01/04/20	10,950	-	-
Pierre Ouimet	10,950	-	-	17.85	-	-	01/04/20	10,950	-	-
Total	219,000	-	-	-	-	-	-	219,000	-	-

(1) "In-the-money" means the excess of the market value of our Common Shares on December 31st, 2016 over the exercise price of the options. On December 31st, 2016, the closing price of the Common Shares on the Toronto Stock Exchange was $13.35.

Incentive plan awards - Value vested or earned during the financial year

The following table discloses, for each Named Executive Officer, for financial year ended December 31st, 2016, the value at the time of purchase of Common Shares purchased by the Corporation on the Toronto Stock Exchange for Named Executive Officers in accordance with the compensation program of the Corporation.

	Option-based awards - Value vested during the financial year ($)	**Share-based awards – Value vested during the financial year ($) (1)**	**Non-equity incentive plan compensation- Value earned during the financial year ($)**
Yves Des Groseillers President and Chief Executive Officer (also performing functions similar to a Chief Financial Officer)	-	100,000	-
Marie-Berthe Des Groseillers Vice President and Chief of Operations and Secretary	-	60,000	-
Guy Brouillette President Brault & Martineau and EconoMax	-	60,000	-
Maurice Tanguay President Ameublements Tanguay	-	-	-
Jacques Tanguay Vice President Ameublements Tanguay	-	60,000	-

(1) The amount represents the value at the time of purchase of the Common Shares purchased by the Corporation on the Toronto Stock Exchange for Named Executive Officers in accordance with the compensation program of the Corporation. See section “Base salary” in this Management Information Circular.

Human Resources and Corporate Governance Committee

Composition of the Committee

The Human Resources and Corporate Governance Committee is responsible, among other things, for the compensation of executive officers. It is composed of three directors, being Messrs. André Bérard, Lucien Bouchard and Tony Fionda. Messrs. André Bérard and Tony Fionda are considered “independent” pursuant to the securities regulations, while Mr. Lucien Bouchard is not considered “independent” under those regulations.

Mandate of the Committee

The mandate of this committee is to examine and recommend the compensation and other terms of employment of the President and Chief Executive Officer and, with the latter's collaboration, that of our other executive officers, as well as to establish the compensation of directors. The Human Resources and Corporate Governance Committee reviews the programs and the terms of the short-term and long-term incentive-based remuneration, including the granting of stock options, retirement programs and other fringe benefits. It also examines the organizational structure and the succession plan of the management team. The Human Resources and Corporate Governance Committee retains, as required, the services of external advisors specializing in compensation in order to carry out its mandate. During the last fiscal year of the Corporation, no compensation consultant or advisor was retained to help the Board of Directors or the Human Resources and Corporate Governance Committee establish the compensation of the executive officers or directors of the Corporation. Pursuant to its mandate, the committee meets as often as is necessary to perform its duties, but no less than once a year. During the last fiscal year, the committee met twice.

Relevant Experience and Skills of the Committee Members

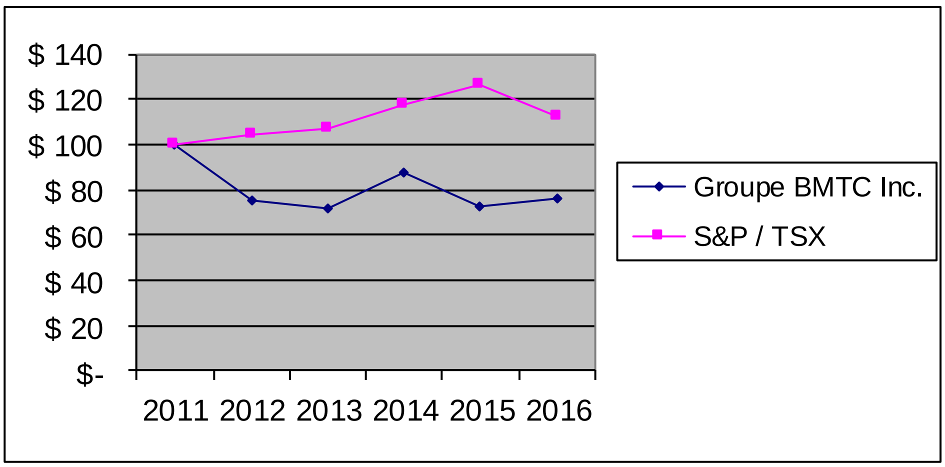
The following table provides a summary of the experience and skills that are relevant to the responsibilities of each member of the Human Resources and Corporate Governance Committee, including the experience and skills that allow them to make decisions regarding the appropriateness of the Corporation's compensation policies and practices.

Name of the member of the Human Resources and Corporate Governance Committee	***Relevant experience and skills***
André Bérard	Mr. Bérard has been chair of the Human Resources and Corporate Governance Committee since 2004. He attended the Special Management Program of the Harvard Business School. He was chairman of the board of the National Bank of Canada from 2002 to 2004, after having been chairman of its board and chief executive officer from 1990 to 2002, president and chief executive officer in 1989, and president and chief operating officer from 1986 to 1989. From 1958 to 1986, Mr. Bérard held various positions of increasing responsibility with the National Bank of Canada. Mr. Bérard has served on the boards of directors of a number of corporations, and he currently sits on corporate governance and nominating committee and the human resources and compensation committee of TFI International Inc.
Lucien Bouchard	Mr. Bouchard has been a member of the Human Resources and Corporate Governance Committee since 2005. Mr. Bouchard was the Premier of Québec from January 1996 to March 2001. Previously, Mr. Bouchard was Ambassador of Canada to France, and was successively Secretary of State, Minister of the

	Environment for the federal government, Leader of the Official Opposition of the House of Commons, and practiced law for 22 years. Since April 6, 2001, he has been a senior partner at Davies Ward Philips and Vineberg. Mr. Bouchard is a member of the corporate governance committee and the corporate governance and nominating committee of TFI International Inc.
Tony Fionda	Tony Fionda is a chartered professional accountant, he presently works for Octane Capital Inc. as Senior Vice President. From 2012 to 2014 he worked for Gradek Energy as senior vice-president and chief financial officer. He previously worked for 12 years at the National Bank of Canada where he worked as a director in investment banking and from 2006 to 2012 he worked as a director in mergers and acquisitions.

Performance Graph

The following graph compares the total cumulative shareholder return for $100 invested in Common Shares on December 31st, 2011, with the cumulative total return of the S&P/TSX Composite Index for the five most recently completed fiscal years.



	2011	2012	2013	2014	2015	2016
BMTC	$100	$75	$72	$88	$73	$76
S&P / TSX	$100	$104	$107	$118	$126	$112

The performance graph set forth above represents a 25% reduction in the cumulative total shareholder return for the last five years. Over the same period, the total compensation received by the Named Executive Officers increased by 15.39%.

INDEBTEDNESS OF EXECUTIVE OFFICERS

No nominee as director, nor any senior executive or executive officer of the Corporation or any person related thereto was indebted to the Corporation over the fiscal year ended December 31st, 2016.

APPOINTMENT OF AUDITORS

Management proposes the appointment of Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, of Montreal, Québec, as Auditors of the Corporation. Their mandate will continue until the close of the next annual meeting or until their successors are appointed. The directors will be authorized to fix the remuneration of the Auditors at a future meeting of the Board. Raymond Chabot Grant Thornton LLP, chartered accountants, has been the Auditors of the Corporation since April 3rd, 2008.

Unless instructions are given to abstain from voting with regard to the appointment of the Auditors, the persons whose names appear on the enclosed Form of Proxy will vote in favor of the appointment of Raymond Chabot Grant Thornton LLP as Auditors of the Corporation and of authorizing the directors to fix their compensation.

Information on the Audit Committee and professional fees paid to external auditors are provided in the Annual Information Form prepared for the fiscal year ended December 31st, 2016 and is incorporated herein by reference. These documents are available on SEDAR at www.sedar.com.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' compensation and indebtedness, if loans have been granted to them, the principal holders of our securities, stock options and the interests of insiders in material transaction, if any, can be found in the Annual Information Form prepared for the fiscal year ended December 31st, 2016. Additional financial information is provided in our financial statements and the MD&A for our most recently completed fiscal year.
The Direct Registration System (DRS) allows your securities to be held in "book-entry" form without having a physical security certificate issued as evidence of ownership. Instead, your securities are held in your name and registered electronically on our records, which are maintained by our transfer agent, Computershare Investor Services Inc. For additional information go to www.computershare.com/investorcentrecanada and click on the Questions & Answers icon or you can also contact us directly at:

Computershare Investor Services Inc.
100 University Avenue, 9th Floor
Toronto, Ontario
M5J 2Y1
Telephone: 1-800-564-6253
www.computershare.com/service

Corporate Governance

The following table draws a parallel between our corporate governance practices and the disclosure requirements under *National Instrument 58-101 Disclosure of Corporate Governance Practices* for Canadian reporting issuers whose securities are listed on the Toronto Stock Exchange:

Disclosure Requirements under Regulation 58-101	Corporate Governance
1. Board of Directors	
(a) Disclose the identity of directors who are independent.	The Board of Directors is made up of nine directors, four of whom are independent: André Bérard, Gilles Crépeau, Pierre Ouimet and Tony Fionda. If all of the proposed nominees for director identified in this circular are elected, the Board will be made up of nine directors, four of whom will be independent.
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	The directors who are not independent are Yves Des Groseillers (President and CEO), Lucien Bouchard (partner of Davies Ward Phillips & Vineberg LLP, legal counsel for the Corporation), Marie-Berthe Des Groseillers (Vice President and Chief of Operations and Secretary), Charles Des Groseillers (Vice-President of A. Bélanger (détail) ltée, a corporation controlled by Yves Des Groseillers) and Gabriel Castiglio (partner of Fasken Martineau DuMoulin LLP, legal counsel for the Corporation).
(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors does to facilitate its exercise of independent judgement in carrying out its responsibilities.	The majority of our directors are not independent within the meaning of National Instrument 52-110 of the CSA. If all of the proposed nominees for director identified in this circular are elected, four directors will be independent and five will not be independent.
(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	André Bérard sits on the Boards of Directors of TFI International Inc. Lucien Bouchard sits on the Boards Directors of TFI International Inc.
(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.	Following each Board meeting, a period is always set aside for a meeting of the independent directors at which non-independent directors and members of management are not in attendance. Such a meeting was held during financial year 2016.

Disclosure Requirements under Regulation 58-101	Corporate Governance
(f) Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.	The Board of Directors is chaired by a member of management who is related to the principal shareholder. However, the Board appointed André Bérard, an independent director, as lead director on February 11th, 2005. The role of the lead director is to facilitate Board operations independently of management and to maintain and improve the quality of governance. Among other things, he must assist and make suggestions to the Chairman of the Board in connection with the agendas, procedures and frequency of Board meetings, coordinate with him the information to be provided to the independent directors and ensure that such information is reliable, and chair the meetings of independent directors.
(g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.	During the financial year, the Corporation held five Board meetings. Directors — Attendance Yves Des Groseillers — 5/5 Marie-Berthe Des Groseillers — 5/5 Charles Des Groseillers — 5/5 André Bérard — 5/5 Tony Fionda — 5/5 Lucien Bouchard — 5/5 Gilles Crépeau — 5/5 Pierre Ouimet — 5/5 Gabriel Castiglio — 5/5
2. Board Mandate	
Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.	Our Board of Directors is ultimately responsible for overall management of the business and the conduct of its operations. It meets quarterly and at any other time to approve, among other things, the annual and quarterly financial statements and to study specific issues or examine specific matters, as the case may be. The Board adopted a Charter of the Board of Directors dated February 11th, 2005. The complete text thereof is found in Schedule A to this Management Information Circular.
3. Position Descriptions	
(a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.	The Board has drawn up a written position description for the Chairman of the Board and CEO. The chairman of a Board committee is mainly responsible for overseeing how the committee is managed and that it efficiently performs its duties and to guide the committee in the performance of its mandate and any other matter which the Board delegates to the committee.

Disclosure Requirements under Regulation 58-101	Corporate Governance
(b) Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.	The Board has drawn up a written position description for the Chairman of the Board and CEO.
4. Orientation and Continuing Education	
(a) Briefly describe what measures the board takes to orient new directors regarding i. the role of the board, its committees and its directors, and ii. the nature and operation of the issuer's business.	The Board ensures that each new director has the necessary abilities, expertise, availability and knowledge to properly perform his duties and provides him with the corporate information and documentation required to do so. Additional training of directors about our activities was initiated in 2005.
(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.	The directors of the Corporation have experience. Some of them sit or have sat on the Board of Directors of several other public companies.
5. Ethical Business Conduct	
(a) Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code: i) disclose how a person or company may obtain a copy of the code; ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.	On February 11th, 2005 our Board of Directors adopted a code of ethics and business conduct for directors, officers and employees of BMTC Group Inc. The code of ethics and business conduct is available on SEDAR at www.sedar.com and may also be obtained by contacting our Secretary or from the securities commissions or similar authorities in Canada. All directors, officers and employees who have information giving them reasonable grounds to believe that certain accounting practices or the auditing of the Corporation are illegal or irregular can and are encouraged to advise the chairman of the Audit Committee of the Board of Directors of BMTC Group Inc. No material change report that pertains to any conduct of a director or executive officer that constitutes a departure from the code of ethics and business conduct was filed during the last financial year.
(b) Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.	Our code of ethics and business conduct clearly states that the directors and executive officers must avoid any transaction or event which could give rise to a conflict of interest. If an event or transaction occurs in which a director has a material interest, he must disclose his interest to the Board and refrain from voting with respect to any matter related thereto.

Disclosure Requirements under Regulation 58-101	Corporate Governance
(c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.	Our code of ethics and business conduct as well as the statements made in the charters of the Board and committees encourage and promote a culture of ethical business conduct. Compliance of the Board with such measures and principles also promotes a culture of ethical business conduct throughout the Corporation.
6. Nomination of Directors	
(a) Describe the process by which the board identifies new candidates for board nomination.	We do not currently have any official procedure by which the Board identifies new candidates for Board nomination. We annually propose new candidates for board nomination and make recommendations regarding the composition of the Board committees, upon the recommendation of the Human Resources and Corporate Governance Committee.
(b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.	The Board does not currently have a nominating committee. When we propose new nominees for the position of director, we take into account the competencies and skills of each potential director compared to the competencies and skills required by the Board. We also ensure that the proposed directors will be able to devote the necessary time to become an effective Board member.
(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	The Board does not currently have a nominating committee.
7. Compensation	
(a) Describe the process by which the board determines the compensation for the issuer's directors and officers.	The mandate of the Human Resources and Corporate Governance Committee is to examine and recommend the compensation and other terms of employment of the CEO and, with the latter's collaboration, that of our other executive officers, as well as to establish the compensation of directors.
(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.	The Human Resources and Corporate Governance Committee is composed of three directors, two of which are independent. The Board ensures an objective process for determining compensation, namely by comparing the compensation practices of the Corporation with those of certain other public companies and by authorizing the committee to retain, as required, the services of external advisors specializing in compensation.

Disclosure Requirements under Regulation 58-101	Corporate Governance
(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.	The mandate of the Human Resources and Corporate Governance Committee is to examine and recommend the compensation and other terms of employment of the CEO and, with the latter's collaboration, that of our other executive officers, as well as to establish the compensation of directors. The Committee reviews the programs and the terms of the short-term and long-term incentive-based remuneration, including the granting of stock options, retirement programs and other fringe benefits. It also examines the organizational structure and the succession plan of the management team. The committee retains, as required, the services of external advisors specializing in compensation in order to carry out its mandate.
8. Other Board Committees	
If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	Other than the Audit Committee and the Human Resources and Corporate Governance Committee, the Board of Directors also relies on an Investment Committee responsible for making recommendations to the Board of Directors regarding the content and updating of investment policies with respect to the employee pension plan of the Corporation and its subsidiary and the liquidities of the Corporation, and to ensure that management complies with such investment policies. The Committee engages the services of external consultants for the analysis of the performance of investments and for the conformity of management to investment policies.
9. Assessments	
Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.	The role of the Human Resources and Corporate Governance Committee is, among other things, to assess the effectiveness of the Board, its committees and its directors. Currently, no assessment of the directors' efficiency and contribution is done on a regular basis.
10. Director Term Limits and Other Mechanisms for Board Renewal	
Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.	The Corporation has not adopted term limits for its directors or other mechanisms of Board renewal. The Corporation is aware of the positive impacts of bringing new perspectives to the Board, and therefore does occasionally add new members, however, it values continuity on its Board of Directors and the in-depth knowledge of Corporation held by those members who have a long standing relationship with the Corporation.

Disclosure Requirements under Regulation 58-101	Corporate Governance
11. Policies Regarding the Representation of Women on the Board	
(a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.	The Corporation has not adopted a written policy relating to the selection of women directors. The Corporation does, however, appreciate the value of a diverse Board of Directors and believes that diversity helps it reach its efficiency and skill objectives for the greater benefit of its shareholders. No specific quota for gender representation on the Board has been adopted so as to allow the Human Resources and Corporate Governance Committee to perform an overall assessment of the qualities and skills of a potential candidate instead of concentrating on gender, which also helps avoid creating situations where one might think that a person was not retained based solely on that criterion.
(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: i) a short summary of its objectives and key provisions, ii) the measures taken to ensure that the policy has been effectively implemented, iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.	N/A
12. Consideration of the Representation of Women in the Director Identification and Selection Process	
Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.	When the Human Resources and Corporate Governance Committee recommends candidates for director positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates. It also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Board to perform efficiently and act in the best interest of the Corporation and its stakeholders. The Corporation is aware of the benefits of diversity both on the Board and at the executive level, and therefore female representation is one among the factors taken into consideration during the search process to fill leadership roles within the Corporation.
13. Consideration Given to the Representation of Women in Executive Officer Appointments	
Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in	When the Board selects candidates for director positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates. It also considers the composition of the group of nominees, to best bring

Disclosure Requirements under Regulation 58-101	Corporate Governance
executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.	together a selection of candidates allowing the Board to perform efficiently and act in the best interest of the Corporation and its stakeholders. The Corporation is aware of the benefits of diversity both on the Board and at the executive level, and therefore female representation is one among the factors taken into consideration during the search process to fill leadership roles within the Corporation.
14. Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions	
(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.	N/A
(b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.	The Corporation considers candidates based on their qualifications, personal qualities, business background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates.
(c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.	See above answer.
(d) If the issuer has adopted a target referred to in either (b) or (c), disclose: i) the target, and ii) the annual and cumulative progress of the issuer in achieving the target.	N/A
15. Number of Women on the Board and in Executive Officer Positions	
(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.	Currently, one (1) out of nine (9) members of the Board of Directors is a woman (11.11%).
(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.	Currently, four (4) out of twelve (12) of the executive officers are women (33%).

Availability of Documents

We provide the following documents to any person or company who requests same from our Secretary at 8500 Place Marien, Montreal East, Québec, H1B 5W8:

(i) A copy of our consolidated financial statements for the last fiscal year, together with the Auditors' Report thereon, are included in the Corporation's 2016 Annual Report; and

(ii) A copy of this Management Information Circular.

In addition, it is possible to obtain the Annual Information Form after the date it is filed with the securities commissions or similar authorities in Canada as well as any document incorporated by reference therein. We may require the payment of reasonable fees if documents are requested by a person who is not a holder of our securities, unless the Corporation makes a distribution of its securities in accordance with a simplified prospectus, in which case such documents will be provided free of charge.

Approval of the Directors

The Directors of the Corporation have approved the content of this Management Information Circular and have authorized its distribution.

By order of the Board of Directors, Montreal, Québec, February 20th, 2017.

(s) Marie-Berthe Des Groseillers

Marie-Berthe Des Groseillers
Vice President and Chief of Operations and Secretary

SCHEDULE A

BMTC GROUP INC.

CHARTER

OF THE BOARD OF DIRECTORS

February 11, 2005

1. PURPOSE AND MANDATE

This charter (the "Charter") sets out the mandate and the main duties of the Board of Directors (the "Board of Directors") of BMTC Group Inc. (the "Corporation").

The Board of Directors is responsible for administering the affairs of the Corporation and, as such, it oversees the management of the Corporation, the conduct of its business and the orientation of its development, either directly or through its committees. It sets out the policies of the Corporation and advises and directs the President and CEO and the senior officers in charge of its day-to-day management.

The main duties of the Board of Directors is to ensure the viability, profitability, survival and development of the Corporation and to ensure that it is managed with integrity and in the interest of all shareholders.

2. COMPOSITION

The Board of Directors is made up of a number of directors between the minimum and maximum number set out in the articles of incorporation of the Corporation and established in accordance with the general by-laws of the Corporation. The directors are elected by the shareholders of the Corporation annually at the annual meeting and each of them remains in office until the following annual meeting or until the election or appointment of his successor, except in the case of resignation or if his position becomes vacant due to removal from office, death or otherwise.

The Board of Directors must appoint the Chairman of the Board from among the directors of the Corporation. Furthermore, if the Chairman is a director who holds a management position within the Corporation, the Board of Directors must also appoint a lead director from among the independent directors to chair the Board of Directors at all meetings at which such senior executive is absent.

3. INDEPENDENCE OF BOARD OF DIRECTORS

The Board of Directors, either directly or through one of its committees, adopts structures and procedures to ensure the independence of the Board of Directors vis-à-vis management.

The directors are required to disclose any conflict of interest to the Chairman of the Board or the Chairman of the Human Resources and Corporate Governance Committee

4. PROCEDURES

The Board of Directors meets as often as necessary to perform its duties but at least once per quarter. Other meetings may be held as needed. The Chairman of the Board, in consultation with the directors and management, determines the frequency and length of such meetings.

The Board of Directors may invite other persons who are not directors of the Corporation to participate at its meetings, when it considers it necessary. Any senior executive of the

Corporation, the head of internal audits and the external auditors may be invited to make presentations to the Board of Directors as needed.

The Chairman of the Board, in consultation with the appropriate members of management, prepares the agenda for meetings of the Board of Directors.

The information and materials which are important for the comprehension by Board members of the items on the agenda and related topics are distributed sufficiently in advance of the meeting to give the directors enough time to review them.

All meetings of the Board of Directors must be followed by a closed session attended only by the independent directors in order to ensure a free and open discussion and communication between the independent directors.

5. DUTIES AND RESPONSIBILITIES

Other that the duties and responsibilities prescribed by law, the Board of Directors has the following duties and responsibilities:

a) Strategic planning session:

   i) Supervise the development of strategic plans through which the Corporation determines its mission, orientation, business goals and priorities taking account of business opportunities and risks;

   ii) Review and approve the financial goals, operating plans and operating budgets;

   iii) Oversee the implementation and effectiveness of the strategic and operating plans;

   iv) Approve the principal business decisions.

b) Risk assessment:

   i) Ensure the implementation of the process allowing the principal risks associated with the activities of the Corporation and its subsidiaries to be determined and managed efficiently;

   ii) Require that management report on the integrity and overall effectiveness of the risk management process.

c) Succession planning:

   i) Supervise the succession planning procedure of the Corporation and its subsidiaries, including the selection, appointment, training, assessment and compensation of the Chairman of the Board, the lead director, the President and CEO and senior executives;

   ii) Ensure that the senior executives have the necessary skills to perform their duties and that they receive appropriate training and supervision.

d) Training of directors:

   i) Ensure that new directors receive adequate training and orientation;

   ii) Offer all directors the possibility of continuing education so that they maintain or improve their skills and competencies.

e) Compensation of directors:

   i) Approve the compensation, means of compensation and indemnities of the directors.

f) Description of duties of the Chairman of the Board, the lead director and the President and CEO:

   i) Approve the description of duties of the Chairman of the Board, the lead director and the President and CEO.

g) Assessment of Board effectiveness:

   i) Assess the effectiveness of the Board of Directors, its committees and its members, according to a procedure set up by the Human Resources and Corporate Governance Committee;

   ii) Examine the composition of the Board of Directors taking account of the need for effectiveness and independence of the Board of Directors and its members.

h) Communication and disclosure:

   i) Review and approve the policies respecting communication and reporting to shareholders, investors and the public;

   ii) Ensure that disclosure is complete and in compliance with established policies;

   iii) Ensure that an adequate procedure is set up to allow shareholders to send their comments to the Corporation.

i) Internal controls:

   i) Assess the quality and effectiveness of the internal controls and information management systems of the Corporation and its subsidiaries;

   ii) Oversee the integrity of the accounting practices and financial reporting procedures of the Corporation and its subsidiaries;

   iii) Obtain assurance that the financial statements of the Corporation and its subsidiaries comply with audit, accounting and information presentation requirements.

j) Integrity and ethics:

i) Develop appropriate structures and procedures which allow the Board of Directors to act independently of management;

ii) Ensure the implementation of and compliance with rules of ethics and business conduct, including through the adoption of a Code of Ethics and Business Conduct for directors, officers and employees of the Corporation and its subsidiaries;

iii) Require that management set up a compliance program to ensure compliance by the Corporation and its subsidiaries with the law, applicable rules and any other obligation.

k) Governance:

i) Develop and periodically review with the help of the Human Resources and Corporate Governance Committee principles and guidelines respecting the governance of the Corporation.

l) External auditors:

i) Recommend to shareholders the appointment of external auditors and approve their compensation.

m) Power to determine the governance of subsidiaries:

i) Discuss and determine the structure and general governance principles applicable to the subsidiaries of the Corporation in order to make the supervision carried out by the Board of Directors more effective;

ii) Ensure that communication mechanisms are in place between the Boards of Directors and committees of the Corporation and its subsidiaries.

n) External advisers

i) The Board of Directors may, at the expense of the Corporation, retain the services of external advisers it considers necessary to perform its obligations and set their compensation.

o) Exclusive powers

i) Approve all matters which the law or case law attribute exclusively to the directors, including the approval of dividends, the issuance of shares, borrowing, the adoption of by-laws and approval of the financial statements.

p) Residual powers:

i) Assume any responsibility not delegated to management.

6. QUALITIES EXPECTED OF MEMBERS OF THE BOARD OF DIRECTORS

The members of the Board of Directors must possess the following qualities and characteristics:

a) demonstrate a high level of ethics and integrity in their personal and professional affairs;

b) act with integrity and good faith in the best interests of the Corporation;

c) devote the necessary time to the affairs of the Corporation and act with care, diligence and skill in carrying out their duties as members of the Board of Directors and committee members;

d) provide independent judgement on a wide variety of topics;

e) understand and make suggestions to improve the essential business plans of the Corporation;

f) have the desire to work as a team and be open to the opinion of others;

g) debate important issues and points to encourage active and efficient participation in the deliberations of the Board of Directors and of each committee of which he is a member;

h) make all reasonable efforts to attend meetings of the Board of Directors and committees;

i) examine the documents provided in advance by management for meetings of the Board of Directors and committees;

j) inform the Chairman of the Board before accepting an appointment on any other Board of Directors or Audit Committee and inform him of any change in the interest of a director which could affect his relationship with the Corporation.

7. BOARD COMMITTEES

a) Number, structure and competency of committees:

The Board of Directors may delegate some of its duties to committees. As of the date this Charter is adopted, the Board of Directors has three committees: the Human Resources and Corporate Governance Committee, the Audit Committee and the Investment Committee. Other committees or sub-committees may be established from time to time by resolution of the Board of Directors. Task force committees may be set up on an *ad hoc* basis to deal with particular subjects.

b) Mandate of committees:

Each Board committee has a mandate describing its role and responsibilities, which is approved by the Board of Directors. The mandates define the responsibilities of the committees and determine to what extent they must make decisions or recommendations, and report to the Board of Directors.

c) Composition:

(i) Audit Committee:

All members of the committee must comply with the requirements in effect on any relevant date relating to the composition of audit committees and the independence of their members which are prescribed by the regulatory authorities having jurisdiction over the Corporation, as determined by the Board of Directors.

(ii) Human Resources and Corporate Governance Committee:

No member of the committee may be an officer or employee of the Corporation or its affiliates.

(iii) Investment Committee:

All committee members must be outside directors.