



October 15, 2007

Dear Bell Aliant Unitholder:

Re: Small Unitholder Selling Program for Canadian Holders of 99 or Fewer Bell Aliant Regional Communications Income Fund Units and Predecessor Company Shares

Bell Aliant Regional Communications Income Fund (the "Fund") has established a voluntary Small Unitholder Selling Program (the "Program") for registered and beneficial holders of 99 or fewer units (the "Units") of the Fund as of record on October 15, 2007. The Program will begin on October 22, 2007, and end at 4:30 p.m. (EST) on January 17, 2008, unless extended.

The Program gives Canadian registered and beneficial holders of 99 or fewer Units (the "Unitholders") (i.e., an "odd-lot") the opportunity to sell all, but not less than all, of their Units without incurring brokerage charges. The Fund's transfer agent, CIBC Mellon Trust Company ("CIBC Mellon"), shall arrange for orders received pursuant to the Program to be sent to a broker (the "Broker") for execution forthwith after clearance of such orders for trading. Orders received and cleared for execution will be placed by CIBC Mellon with the Broker no later than 12:00 noon (EST) on the next business day for execution on the Toronto Stock Exchange. Orders may be aggregated, but not netted, by CIBC Mellon or the Broker. The price received by the Unitholders for their Units will be the average price received on all orders placed by CIBC Mellon with the Broker for execution on a given day, regardless of when any individual orders are executed on that day. The Broker is required to obtain the best available price for all odd-lot orders.

The Program also gives Canadian registered holders of shares in the capital of Bruncor Inc., Island Telecom Inc., Maritime Telegraph and Telephone Company, Limited, NewTel Enterprises Limited, or Aliant Inc. (collectively, the "Predecessor Company Shares"), the opportunity to sell all, but not less than all, of their Predecessor Company Shares in the same manner as Unitholders, provided such holders hold the equivalent of 99 or fewer Units based on the ratio set forth in the accompanying Letter of Transmittal.

Certificates representing the odd-lot Units and/or the Predecessor Company Shares and the accompanying duly completed and executed Letters of Transmittal will not be accepted by CIBC Mellon after 4:30 p.m. (EST) on January 17, 2008, unless the Program is extended.

The Fund values each of its Unitholders, but feels that the Program can benefit both the Unitholders selling small holdings in the Fund by minimizing their cost and inconvenience, and the Fund, by reducing its administrative costs.

The Board of Trustees of the Fund makes no recommendation as to whether any particular Unitholder should sell pursuant to the Program. The Program is entirely voluntary and you are advised to contact your broker or other financial adviser as to the advisability of participating.

Additional information concerning this Program is set out in the Questions and Answers section and Letter of Transmittal following this letter. Please read the attached material carefully. If you wish to participate, complete the attached Letter of Transmittal and send or deliver it, along with your Unit and/or Predecessor Company Share certificate(s), to CIBC Mellon Trust Company at the address shown on the attached Letter of Transmittal. Should you have any questions about the Program, please contact CIBC Mellon Trust Company toll-free at 1-866-271-6893, or at inquiries@cibcmellon.com.

Yours very truly,

Zeda Redden
Vice-president, investor relations
Bell Aliant Regional Communications
Investor Line: 1-877-248-3113
investors@bell.aliant.ca



1. The Letter of Transmittal should be detached, completed and signed, together with the appropriate certificate(s) representing 99 or fewer units (the “Units”) of Bell Aliant Regional Communications Income Fund (the “Fund”) or shares in the capital of Bruncor Inc., Island Telecom Inc., Maritime Telegraph and Telephone Company, Limited, NewTel Enterprises Limited or Aliant Inc. equivalent to 99 or fewer Units (the “Predecessor Company Shares”) and returned to CIBC Mellon Trust Company at one of the following addresses:

For Delivery by Hand, Registered Mail or Courier

CIBC Mellon Trust Company
 Attention: Special Projects
 199 Bay Street, Securities Level
 Commerce Court West
 Toronto, Ontario
 M5L 1G9

For Delivery by Mail

CIBC Mellon Trust Company
 P.O. Box 1036
 Adelaide Street Postal Station
 Toronto, Ontario
 M5C 2K4

2. The Fund reserves the right, if it so elects, in its absolute discretion to instruct CIBC Mellon Trust Company to waive any defect or irregularity contained in any Letter of Transmittal received.
3. Unit and/or Predecessor Company Share certificate(s) registered in the name of the person by whom the Letter of Transmittal is signed need not be endorsed or accompanied by a Unit and/or Predecessor Company Share transfer power of attorney other than the Letter of Transmittal itself. Unit and/or Predecessor Company Share certificate(s) not so registered must be endorsed by the registered holder thereof or be accompanied by a Unit and/or Predecessor Company Share transfer power of attorney duly and properly completed by the registered holder, with the signature guaranteed in either case by a Canadian Schedule 1 chartered bank, a major Canadian trust company, or a member of a recognized Medallion Program. The signature of the registered holder must correspond in every respect with the name of the registered holder appearing on the face of the Unit and/or Predecessor Company Share certificate(s).
4. Where the Letter of Transmittal is executed on behalf of a corporation, partnership or association or by an agent, executor, administrator, trustee, tutor, curator, guardian or any person acting in a representative capacity, the Letter of Transmittal must be accompanied by satisfactory evidence of the representative’s authority to act.
5. The method of delivery of the Letter of Transmittal and the Unit and/or Predecessor Company Share certificate(s) to CIBC Mellon Trust Company is at the option and risk of the Unitholder and/or shareholder, but, if delivery by mail is used, registered mail with return receipt requested, properly insured, is recommended.
6. Additional copies of the Letter of Transmittal may be obtained by phoning or e-mailing CIBC Mellon Trust Company at the address shown in item 8 below or by accessing www.cibcmellon.com Investor Centre and downloading the Letter of Transmittal.
7. If your Unit and/or Predecessor Company Share certificate(s) has been lost, stolen or destroyed, the Letter of Transmittal should be completed as fully as possible, signed and forwarded to CIBC Mellon Trust Company, together with the attached Affidavit of Lost or Destroyed Certificate(s), which you have had notarized.
8. Any questions should be directed to CIBC Mellon Trust Company at 1-866-271-6893 or through an e-mail to inquiries@cibcmellon.com.

If you are a Canadian registered unitholder of Bell Aliant Regional Communications Income Fund (the “Fund”) units (the “Units”) (the Units are registered in your name) and wish to participate in the Fund’s Small Unitholder Selling Program (the “Program”), please detach, complete, date and sign this Letter of Transmittal, attach your unsigned Unit certificate(s) and return same in the enclosed return envelope to the address set out below.

If you are a registered holder of shares in the capital of Bruncor Inc. (“Bruncor”), Island Telecom Inc. (“Island Tel”), Maritime Telegraph and Telephone Company, Limited (“MT&T”), NewTel Enterprises Limited (“NewTel”), or Aliant Inc. (“Aliant”) (collectively, the “Predecessor Company Shares”) you are eligible to participate in the Program if you hold the equivalent of 99 or fewer Units based on the following exchange ratio:

Predecessor Company Rate of Exchange to Units

Predecessor	Exchange Ratio	Maximum Number Held
Bruncor	1.011 Bell Aliant unit for 1.000 Bruncor common share	97
Island Tel	1.000 Bell Aliant unit for 1.000 Island Tel common share	99
MT&T	1.667 Bell Aliant units for 1.000 MT&T common share	59
MT&T	0.605 Bell Aliant units for 1.000 7% preferred share	163
NewTel	1.567 Bell Aliant units for 1.000 NewTel common share	63
Aliant	1.000 Bell Aliant unit for 1.000 Aliant common share	99

If you are an eligible registered holder of Predecessor Company Shares and wish to participate in the Program, please detach, complete, date and sign this Letter of Transmittal, attach your unsigned Predecessor Company Share certificate(s) and return same in the enclosed return envelope to the address set out below.

If you are a Canadian beneficial holder of the Units (the Units are held in the name of a broker or bank or trust company holding the Units as registered holder on your behalf), arrangements must be made through your nominee to complete this Letter of Transmittal and deliver same to the address set out below:

For Delivery by Hand, Registered Mail or Courier

CIBC Mellon Trust Company
Attention: Special Projects
199 Bay Street, Securities Level
Commerce Court West
Toronto, Ontario
MSL 1G9

For Delivery by Mail

CIBC Mellon Trust Company
P.O. Box 1036
Adelaide Street Postal Station
Toronto, Ontario
M5C 2K4

IF YOU ARE UNABLE TO LOCATE YOUR UNIT AND/OR PREDECESSOR COMPANY SHARE CERTIFICATE(S), PLEASE SIGN THE AFFIDAVIT OF **LOST or DESTROYED CERTIFICATE** FOLLOWING THIS LETTER OF TRANSMITTAL, DETACH AND RETURN IT BY USING THE ENVELOPE ENCLOSED OR BY DELIVERING IT TO CIBC MELLON TRUST COMPANY AT EITHER ADDRESS NOTED ABOVE.

CIBC Mellon Trust Company (“CIBC Mellon”) shall arrange for orders received pursuant to the Program to be sent to a broker (the “Broker”) for execution immediately after clearance of such orders for trading. Orders received and cleared for execution shall be placed by CIBC Mellon with the Broker no later than 12:00 noon (EST) on the next business day for execution on the Toronto Stock Exchange. Orders may be aggregated, but not netted, by CIBC Mellon or the Broker. The price received by Unitholders for their Units and/or holders of the Predecessor Company Shares for their Predecessor Company Shares will be the average price received on all orders placed with the Broker for execution on a given day, regardless of when any individual orders are executed on that day. The Broker is required to obtain the best available price for all odd-lot orders.

Certificates representing the odd-lot Units and/or the Predecessor Company Shares and the accompanying duly completed and executed Letters of Transmittal will not be accepted by CIBC Mellon after 4:30 p.m. (EST) on January 17, 2008, unless the Program is extended.

TO: BELL ALIANT REGIONAL COMMUNICATIONS INCOME FUND

The undersigned hereby surrenders for sale the following certificate(s) representing Units and/or the Predecessor Company Shares pursuant to the Program, described in the letter to the Fund's Unitholders dated October 15, 2007, receipt of which is hereby acknowledged. The undersigned represents that he or she has full authority to sell and transfer the Units and/or the Predecessor Company Shares transmitted hereby and that the purchaser will acquire good and marketable title thereto, free and clear of all liens, claims and encumbrances. The undersigned further represents that he or she or the person on whose behalf they are transmitting the Units and/or the Predecessor Company Shares, owned on October 15, 2007, 99 or fewer Units or the equivalent of 99 or fewer Units, all of which are being submitted herewith. The undersigned agrees to execute any additional documents necessary or desirable to complete the sale and transfer of the transmitted Units and/or Predecessor Company Shares.

Issuer	Certificate Number(s) and DRP units (Total not to exceed 99 Units)	Name in which the Units or Predecessor Company Shares are Registered	Number of Units or Predecessor Company Shares as Applicable ¹

The undersigned hereby appoints CIBC Mellon Trust Company to act as agent in the sale of the Units and/or the Predecessor Company Shares described above in accordance with the terms of the Program and authorizes it to remit the proceeds of such sale by cheque payable in Canadian funds, as follows:

UNITHOLDER/SHAREHOLDER

Name (to appear on payment cheque): _____

Address: _____

Telephone (Business Hours): _____ Social Insurance No.: _____

Name of Unitholder/Shareholder: _____ Signature: _____
(Please print or type) (Unitholder /Shareholder or Authorized Representative)

Date: _____

I am currently enrolled in the Bell Aliant Distribution Reinvestment and Optional Purchase Plan:

Yes: _____

No: _____

Under the terms of the Small Unitholder Selling Program, I understand that the whole units held in my Distribution Reinvestment and Optional Purchase Plan account will be sold under the program and my account will be terminated.

GUARANTOR

Name of Guarantor: _____ Signature: _____
(if required)

Telephone Number: _____ Date: _____

¹ On an as-exchanged basis for Predecessor Company Shares

Detach here

AFFIDAVIT OF LOST OR DESTROYED UNIT AND/OR PREDECESSOR COMPANY SHARE CERTIFICATE(S)

THIS AFFIDAVIT IS TO BE COMPLETED AND NOTARIZED ONLY IF YOU CANNOT LOCATE YOUR BELL ALIANT REGIONAL COMMUNICATIONS INCOME FUND UNIT AND/OR PREDECESSOR COMPANY SHARE CERTIFICATE(S)

Province of: _____

Name: _____

Address: _____

Certificate Number(s) _____ for _____ unit (s) (the "Units") of Bell Aliant Regional Communications Income Fund and/or

Certificate Number(s) _____ for _____ shares (s) of _____ (the "Predecessor Company Shares").

My certificate(s) is lost and not presented with the Letter of Transmittal. The certificate(s) will be considered lost and my signature acknowledges that I agree to the terms and conditions of the declaration below.

The undersigned person(s), being first duly sworn, deposes and says that:

I am the lawful owner of the above described certificate(s) and Units and/or Predecessor Company Shares. The certificate(s) has not been endorsed, cashed, negotiated, transferred, assigned or otherwise disposed of. I have made a diligent search for the certificate(s) and have been unable to find it, and make this Affidavit for the purpose of inducing a liquidation of the certificate(s) without surrender of the certificate(s) and the sale or exchange of Units and/or Predecessor Company Shares represented thereby, and hereby agree to surrender the certificate(s) for cancellation should I, at any time, find the certificate(s). I, in consideration of the proceeds of the sale of the Units and/or Predecessor Company Shares represented by the certificate(s), agree to completely indemnify, protect and save harmless Bell Aliant Regional Communications Income Fund, CIBC Mellon Trust Company, Travelers Guarantee Company of Canada and any other party to the transaction, and their respective affiliates, officers, employees, directors, trustees and agents (the "Obligees"), from and against all loss, costs and damages, including court costs and attorney's fees, which they may be subject to or liable for in respect of the cancellation and replacement of the certificate(s). The rights accruing to the Obligees under the preceding sentences shall not be limited by the negligence, inadvertence, accident, oversight or breach of any duty or obligations on the part of the Obligees or their failure to inquire into, contest, or litigate any claim, whenever such negligence, inadvertence, accident, oversight, breach or failure may occur or have occurred. I authorize CIBC Mellon Trust Company to deliver this Affidavit to Travelers Guarantee Company of Canada, which has underwritten a bond of indemnity to protect the foregoing parties. I acknowledge that a processing fee for this bond indemnity of \$30.00, to be incurred by Bell Aliant Regional Communications Income Fund, will apply in consideration of replacing my missing Units and/or Predecessor Company Shares and will be remitted to Travelers Guarantee Company of Canada.

PLEASE ALSO SIGN THE LETTER OF TRANSMITTAL

Signature of the Unitholder/Shareholder (s) _____

Sworn before me at the City of _____ in the Province of _____

This _____ day of _____, 200 _____.

(Affix Notarial Seal) Notary Public

If you do not have a record of your certificate number(s), leave line blank. These numbers will be researched. This research might cause a delay in the sale of your Units and/or Predecessor Company Shares.

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This section contains answers to some of the questions that may come to mind when you read the accompanying materials. If you have further questions, please contact:

CIBC Mellon Trust Company

Toll Free: 1-866-271-6893

or

(416) 643-5500

E-mail address: inquiries@cibcmellon.com

or

Bell Aliant Investor Relations

Toll Free: 1-877-248-3113

E-mail address: investors@bell.aliant.ca

1 Who is eligible to participate in the Program?

All unitholders who, as of October 15, 2007, were Canadian registered or beneficial holders of 99 or fewer units (the “Units”) of Bell Aliant Regional Communications Income Fund (the “Fund”) are eligible to participate (the “Unitholders”). The Program does not apply to Units held under the Employee Unit Purchase Plan of the Fund. The Program is not available in any jurisdiction in which the Program would not be in compliance with the laws of such jurisdiction. To be eligible to participate in the Program, the Unitholder must be a Canadian resident. All holders of shares in the capital of the predecessor companies of the Fund (Bruncor, MT&T, NewTel, Island Tel and Aliant Inc.) (the “Predecessor Company Shares”) that hold, as of October 15, 2007, the equivalent of 99 or fewer Units (on an as-exchanged basis) are also eligible to participate.

2 How does the Program benefit me?

The benefits to you include convenience, no transaction costs, and the receipt of market value for your Units and/or Predecessor Company Shares. The Program can save you a brokerage commission and, if you do not already have one, the trouble of opening a brokerage account.

3 Will partial transmittals be accepted?

No. To participate you must submit ALL Units and/or Predecessor Company Shares registered in your name.

4 I have decided to participate in the Program. What do I do now?

(a) Registered Holders

Complete the Letter of Transmittal; sign the Letter of Transmittal exactly as your name(s) appear on the Unit and/or Predecessor Company Share certificate(s); if the certificate(s) is held by two or more joint holders, all such holders must sign the Letter of Transmittal; attach your Unit and/or Predecessor Company Share certificate(s) to the Letter of Transmittal and send in your Letter of Transmittal and Unit and/or Predecessor Company Share certificate(s) in the enclosed return envelope. **Do Not Sign The Back Of Your Unit and/or Predecessor Company Share Certificate(s).**

If the Letter of Transmittal is signed by a person other than the registered holder of the Units and/or the Predecessor Company Shares:

- (i) The Unit and/or the Predecessor Company Share certificate(s) must be endorsed, or be accompanied by an appropriate Unit and/or Predecessor Company Share transfer power of attorney, duly and properly completed by the registered holder; and
- (ii) The signature on such endorsement or power of attorney must correspond exactly to the name on the Unit and/or Predecessor Company Share certificate(s) and must be guaranteed by a Canadian Schedule 1 chartered bank, a major Canadian trust company or a member of a recognized Medallion Program.

(b) Beneficial Holders

If your Units are held in nominee form (for example, in the name of a broker or bank or trust company holding the Units as registered holder on your behalf) you must instruct your nominee to take the actions set out in the above Registered Holders section on your behalf.

If the Letter of Transmittal or certificate(s) or power of attorney is signed by a person on behalf of an executor, trustee, guardian, attorney-in-fact, corporation or otherwise in a fiduciary or representative capacity, such person should so indicate when signing and the Letter of Transmittal must be accompanied by satisfactory evidence of the authority to act.

Each of the Fund and CIBC Mellon Trust Company has the right to reject any transmittal of Units and/or Predecessor Company Shares not received in proper form.

5 Who administers the Program?

The Fund has entered into an agreement with CIBC Mellon Trust Company to administer the Program and will pay CIBC Mellon Trust Company a fee for its services and reimburse it for out-of-pocket expenses incurred under the Program. The Fund has made arrangements with CIBC Mellon Trust Company to sell Units through a broker (the “Broker”) who will sell the Units on the Toronto Stock Exchange, and will pay all brokerage costs associated with the sales.

6 If I choose to sell, when will I receive my money?

If you are the registered holder who participates in this voluntary program, CIBC Mellon Trust Company will mail you a cheque in Canadian funds for your Units and/or Predecessor Company Shares received in good order approximately five business days after your Units and/or Predecessor Company Shares are sold. If your Units and/or Predecessor Company Shares are held in the name of a broker or other nominee, the funds will be delivered to the broker or nominee.

7 When will my Units and/or Predecessor Company Shares be sold?

The Fund shall arrange, through its transfer agent, CIBC Mellon Trust Company, for orders received pursuant to the Program to be sent to the Broker for execution forthwith after clearance of such orders for trading. Orders received and cleared for execution shall be placed with the Broker no later than 12:00 noon (EST) on the next business day for execution on the Toronto Stock Exchange. Orders may be aggregated, but not netted, by CIBC Mellon Trust Company or the Broker.

8 How much will I receive for the sale of my Units?

It is estimated that a regular parcel mailed nationally between major Canadian centres through Canada Post may take 5-10 business days for delivery. The market price of the Units may change between the time you send the required documentation to participate in the Program and the time at which the Units are actually sold. The price you will receive will be the average price received on all orders placed by CIBC Mellon Trust Company with the Broker each day, regardless of when any such orders are executed on that day. The Broker is required to obtain the best available price for all odd-lot orders.

9 What is my relationship with the Broker who sells my Units and/or Predecessor Company Shares?

For purposes of the Program only, registered and beneficial holders of Units and/or Predecessor Company Shares are deemed to be a customer of the Broker agreeing to sell the Units and/or the Predecessor Company Shares.

10 How much time do I have?

The Program will expire on January 17, 2008, unless extended. If you wish to participate in the Program, your Unit and/or Predecessor Company Share certificate(s) and Letter of Transmittal must be received no later than 4:30 p.m. (EST) on that date. If you wish to participate, you are urged to respond to the Program as soon as possible.

11 Should I participate in the Program?

It is up to you. There are various reasons that factor into a decision to sell or hold any Units. The Fund and CIBC Mellon Trust Company make no recommendation as to whether or not you should participate in this Program. You may wish to contact your broker or other financial advisor as to the advisability of participating in the Program.

12 What if I choose not to participate in the Program?

The Program is voluntary. You may decide not to participate in the Program in which case you will continue holding your Units and/or Predecessor Company Shares.

13 What do I do if my Unit and/or Predecessor Company Share certificate(s) has been lost, stolen or destroyed?

If your Unit and/or Predecessor Company Share certificate(s) has been lost, stolen or destroyed, the Letter of Transmittal should be completed as fully as possible, signed and forwarded to CIBC Mellon Trust Company, together with the attached Affidavit of Lost or Destroyed Certificate(s), which you have had notarized.

14 Are there any tax considerations if I participate in the Program?

Yes. By selling your Units and/or Predecessor Company Shares, you may realize a taxable gain or loss. Therefore, you may want to consult your tax advisor regarding the tax consequences of selling your Units and/or Predecessor Company Shares.

15 After I have mailed my Letter of Transmittal, can I change my mind and cancel?

No. Your authorization is irrevocable. You should therefore carefully consider whether the Program meets your needs at this time. If in doubt, you should consult with your broker or other financial advisor on the advisability of participating in the Program.

16 What if I need assistance in completing the Letter of Transmittal?

If you have any further questions or need additional information about the Program, please call CIBC Mellon Trust Company toll-free at 1-866-271-6893 or through e-mail to inquiries@cibcmellon.com. You may also contact Bell Aliant at 1-877-248-3113 or through e-mail at investors@bell.aliant.ca.



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