

## BY-LAW NO. 2

### AIRBOSS OF AMERICA CORP. (the "Company")

BE IT ENACTED AND IT IS HEREBY ENACTED AS A BY-LAW OF THE COMPANY AS FOLLOWS:

#### Advance Notice Requirements

1. **Nominations of Directors.** Subject to the provisions of the Act and the articles of the Company, only persons who are nominated in accordance with the procedures set out in this By-law No. 2 shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of one or more directors. Such nominations must be made:
  - (a) by or at the direction of the board (or any duly authorized committee thereof), including pursuant to a notice of meeting;
  - (b) by or at the direction or request of one or more shareholders pursuant to a proposal within the meaning of, and made in accordance with, the provisions of the Act, or a requisition of the shareholders made in accordance with the provisions of the Act; or
  - (c) by any person (a "Nominating Shareholder"): (i) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for in this By-law No. 2 and at the close of business on the record date for notice of such meeting, is a registered holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (ii) who complies with the notice procedures set out below in this By-law No. 2.
  
2. **Timely Notice.** In addition to any other applicable requirements, for a nomination to be validly made by a Nominating Shareholder pursuant to paragraph 1(c) above, the Nominating Shareholder must have given notice thereof that is both timely and in proper written form (as set out below in this Section 2 and in Section 3 below) to the secretary of the Company at the principal executive office of the Company. To be timely, a Nominating Shareholder's notice to the secretary of the Company must be made:
  - (a) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement (as defined below) of the date of the annual meeting of shareholders was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10<sup>th</sup>) day following the Notice Date; and

- (b) in the case of a special meeting of shareholders (which is not also an annual meeting of shareholders) called for the purpose of electing directors (whether or not called for other purposes as well), not later than the close of business on the fifteenth (15<sup>th</sup>) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

3. **Proper Written Form of Notice.** To be in proper written form, a Nominating Shareholder's notice to the secretary of the Company must set out:

- (a) the identity of the Nominating Shareholder and the number of voting securities held by the Nominating Shareholder;
- (b) if the Nominating Shareholder is not the beneficial owner of all the voting securities referred to in paragraph 3(a), the identity of the beneficial owner and the number of such securities beneficially owned by that beneficial owner;
- (c) as to each person whom the Nominating Shareholder proposes to nominate for election as director (a "Nominee")
  - (i) the name, age, business address and residential address of the Nominee;
  - (ii) the principal occupation or employment of the Nominee, both present and within the five years preceding the notice;
  - (iii) the Nominee's country of residence and status as a "resident Canadian" (as such term is defined in the Act);
  - (iv) the class or series and number or principal amount of securities of the Company which are beneficially owned, or over which control or discretion is exercised, directly or indirectly, by the Nominee or his or her Representatives (as such term is defined below) as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
  - (v) full particulars regarding any contract, agreement, arrangement, understanding or relationship (collectively, "Arrangements"), including without limitation financial, compensation and indemnity related Arrangements, between the Nominee or any of his or her Representatives and any Nominating Shareholder or any of its Representatives; and
  - (vi) any other information relating to the Nominee or his or her Representatives that would be required to be disclosed in a dissident's proxy circular in connection with a solicitation of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below);

- (d) with respect to the Nominating Shareholder giving the notice and, if applicable, any beneficial owner:
- (i) the class or series and number or principal amount of securities of the Company which are controlled, or over which control or direction is exercised, directly or indirectly, by the Nominating Shareholder, such beneficial owner, if any, or any of their respective Representatives (and for each such person, any options or rights to acquire securities of the Company and any derivatives or other securities, instruments or arrangements for which the price or value or delivery, payment or settlement obligations are derived from, referenced to, or based on any securities of the Company, and any hedging transactions, short positions and borrowing or lending arrangements relating to such securities) as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
  - (ii) in the case of a special meeting of shareholders called for the purpose of electing directors, a statement as to whether the Nominating Shareholder or beneficial owner intends to send an information circular and form of proxy to any shareholders of the Company in connection with the individual's nomination or otherwise solicit proxies or votes from shareholders of the Company in support of such nomination;
  - (iii) full particulars regarding any proxy or Arrangement pursuant to which such Nominating Shareholder, such beneficial owner, if any, or any of their respective Representatives, has any interests, rights or obligations with respect to the voting of any securities of the Company or the nomination of directors of the Company; and
  - (iv) any other information relating to such Nominating Shareholder and beneficial owner, if any, and their respective Representatives that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
- (e) whether (i) in the opinion of the Nominating Shareholder and the Nominee, the Nominee would qualify as an independent director of the Company under section 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators (“NI 52-110”) and (ii) with respect to the Company, the Nominee has one or more of the relationships described in sections 1.4(3), 1.4(8) or 1.5 of NI 52-110.

The references to “Nominating Shareholder” in this Section 3 shall be deemed to refer to each shareholder that nominates or seeks to nominate a person for election as director in the case of a nomination proposal were more than one shareholder is involved in making such nomination proposal.

4. **Notice to be updated.** In addition, to be considered timely and in proper written form, a Nominating Shareholder's notice will be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice will be true and correct as of the date that is ten days prior to the date of the meeting, or any adjournment or postponement thereof.
5. **Disclosure of Nominee Information.** The Company shall make all information requested and received from the Nomine and the Nominating Shareholder publicly available to shareholders of the Company.
6. **Eligibility for Nomination.** No person shall be eligible for election as a director unless nominated in accordance with this By-law No. 2; provided, however, that nothing herein shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act. The chairman of the meeting of shareholders shall have the power and duty to determine whether a nomination of a person for election to the board was made in accordance with this By-law No. 2 and, if the chairman determines that a nomination does not comply with this By-law No. 2, to declare that such defective nomination shall be disregarded. A duly appointed proxy holder of a Nominating Shareholder shall be entitled to nominate at a meeting of shareholders the directors nominated by the Nominating Shareholder, provided that all of the requirements of this By-law No. 2 have been satisfied.
7. **Delivery of Notice.** Notwithstanding any other provision of the by-laws, notice given to the secretary of the Company pursuant to this By-law No. 2 may only be given by personal delivery, email (at such email address as may be stipulated from time to time by the secretary of the Company for purposes of this notice) or facsimile transmission, and shall be deemed to have been given and made only at the time it is served by personal delivery to the secretary at the address of the principal executive office of the Company or delivered to the secretary by email (at the aforesaid email address) or facsimile transmission (provided that receipt of confirmation of such facsimile transmission has been received); provided that if such delivery is made on a non-business day or later than 5:00 p.m. (Toronto time) on a day that is a business day, then such delivery shall be deemed to have been made on the next following day that is a business day.
8. **Board Discretion to Waive.** Notwithstanding any of the foregoing, the board of directors of the Company may, in its sole discretion, waive any requirement in this By-law No. 2.
9. **Defined Terms.** For the purposes of this By-law No. 2:
  - (a) "Act" means the *Business Corporations Act* (Ontario) as may be amended or substituted from time to time;
  - (b) "Applicable Securities Laws" means the applicable securities legislation, as amended from time to time, of each province and territory of Canada, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and

notices of the securities commission or similar regulatory authority of each province and territory of Canada;

(c) "**public announcement**" means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and

(d) "**Representative**" of a person means the affiliates and associates of such person, all persons acting jointly or in concert with any of the foregoing, and the affiliates and associates of any such persons acting jointly or in concert.

10. **Effect of By-law No. 2.** The by-laws of the Company (including this By-law No. 2), as amended from time to time, will be read together and will have effect, so far as is practicable, as though all the provisions thereof were contained in one by-law of the Company.

11. **Effective Date.** This By-law No. 2 shall be effective and in full force and effect in accordance with its terms and conditions from and after the date of its adoption by a resolution of the board of directors of the Company, but is subject to confirmation or rejection by shareholders of the Company present in person or voting by proxy at the next meeting of those shareholders validly held following such adoption in accordance with the Act. Upon confirmation by shareholders by ordinary resolution, the President and the Secretary of the Corporation are authorized and directed to sign and certify this By-law No. 2 to signify its confirmation.

CONFIRMED by the shareholders of the Company as of the 11<sup>th</sup> day of May, 2017.

(signed) Lisa Swartzman

(signed) Darren Wasylucha

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President

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Secretary