

AIRBOSS OF AMERICA CORP.

COMPENSATION COMMITTEE

MANDATE AND TERMS OF REFERENCE

Role and Objective

The purpose of the Compensation Committee (the "Committee") is to assist the board of directors (the "Board") of AirBoss of America Corp. (the "Corporation") in fulfilling its responsibility by reviewing matters relating to the human resource policies and compensation of the directors, officers and employees of the Corporation and its subsidiaries in the context of the strategic and business plans of the Corporation.

As used herein, the term "senior executive" includes all officers of the Corporation and all employees holding the title of President or Divisional President (or equivalent) at the Corporation or at one of its subsidiaries or divisions.

Membership of the Committee

1. The Committee shall be comprised of three members or such greater number as the Board may from time to time determine, all of whom shall be independent directors (as such term is used in National Policy 58-201 – *Corporate Governance Guidelines*).
2. The Board shall appoint a member to be the Committee Chair.

Mandate and Responsibilities of the Committee

1. The Compensation Committee shall formulate and make recommendations to the Board in respect of compensation issues relating to directors, officers and employees of the Corporation. Without limiting the generality of the foregoing, the Committee shall have the following duties:
 - (a) to review the compensation philosophy and remuneration policy for directors, officers and employees of the Corporation and to recommend to the Board changes to improve the Corporation's ability to recruit, retain and motivate such individuals;
 - (b) to review and recommend to the Board the compensation to be paid to members of the Board;
 - (c) to receive annually from the Chief Executive Officer of the Corporation ("CEO") the CEO's evaluation of the performance of each senior executive who reports to the CEO;
 - (d) to review and recommend to the Board performance objectives and the compensation package for the CEO, evaluate the CEO's performance in light of

such objectives and recommend to the Board the CEO's compensation based on such performance;

- (e) to recommend to the Board, on the recommendation of the CEO, the compensation and benefits package for senior executives other than the CEO;
- (f) to review management's recommendations for proposed equity-based incentive plans for directors, officers and employees and other incentive compensation plans for senior executive positions and make recommendations in respect thereof to the Board;
- (g) review and make recommendations to the Board with respect to equity-based plans and other incentive plans;
- (h) to establish vesting and payout criteria, evaluate performance and realisation of objectives and authorise awards and payments under the Company's 2015 Omnibus Incentive Plan;
- (i) to recommend to the Board the grant of awards under equity-based incentive plans, and, to the extent such authority is delegated by the Board, grant awards under equity-based incentive plans;
- (j) to recommend for approval of the Board, on recommendation of the CEO, any cash incentive awards to be paid to senior executives and to establish targets or criteria for the payment of such bonuses, if appropriate; and
- (k) to review all executive compensation disclosure prepared by management as required by applicable securities laws and stock exchange rules, including the reports on executive and director compensation required to be included in the Corporation's management information circulars.

Meetings and Administrative Matters

1. At all meetings of the Committee every motion shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall not be entitled to a second or casting vote.
2. The Chair shall preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee present shall designate from among the members present the Chair for purposes of the meeting.
3. A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board unless otherwise determined by the Board.
4. Meetings of the Committee should be scheduled to take place at least one time per year and at such other times as the Chair of the Committee may determine.

5. Agendas, approved by the Chair, shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings;
6. The Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee. However, the Committee shall ensure that it holds discussions without the presence of management at each meeting.
7. Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.
8. Written resolutions signed by all members of the Committee shall have the same force and effect as a resolution or other decision approved by a majority of members at a duly constituted meeting of the Committee.
9. The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
10. Any members of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, each member of the Committee shall hold such office until the close of the next annual meeting of shareholders following appointment as a member of the Committee.
11. Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chairman of the Board and the lead independent director, if applicable, by the Committee Chair.

Approved by the Board of Directors on March 16, 2017