

AIRBOSS OF AMERICA CORP.

MAJORITY VOTING POLICY

The Board of Directors (the "**Board**") of AirBoss of America Corp. (the "**Corporation**") believes that each of its members should carry the confidence and support of its shareholders. To this end, the directors have unanimously adopted this statement of policy. Future nominees for election to the Board will be asked to subscribe to this statement before their names are put forward.

Forms of proxy for the vote at a shareholders' meeting where directors are to be elected will enable the shareholder to vote in favour of, or to withhold from voting, separately for each nominee. At the meeting, the Chairman of the Board (the "**Chair**") will call for a vote by ballot and the scrutineers will record with respect to each nominee the number of votes "for" his or her election and the number of votes "withheld" from voting. Prior to receiving the scrutineer's report on the ballot, the Chair may announce the vote result based on the number of proxies received by the Corporation. At the conclusion of the meeting, the final scrutineer's report on the ballot must be filed on www.sedar.com.

In an uncontested election of directors of the Corporation, each director should be elected by the vote of a majority of the shares represented in person or by proxy at any shareholders' meeting involving the election of directors. If any director nominee receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "**Majority Withheld Vote**"), that director shall promptly submit his or her resignation to the Chair for consideration following the meeting. An "uncontested election" means an election where the number of nominees for director equals the number of directors to be elected and, for greater certainty, this policy does not apply to a contested election of directors where the number of nominees exceeds the number of directors to be elected or where proxy materials have been circulated in support of the election of one or more nominees who are not included among the nominees supported by the Board.

The Nominating and Corporate Governance Committee of the Board (the "**Committee**") shall consider the offer of resignation and recommend to the Board whether or not to accept it. Any director who tenders his or her resignation may not participate in the deliberations of either the Committee or the Board. In its deliberations, the Committee will consider any stated reasons why shareholders "withheld" votes from the election of that director, the length of service and the qualifications of the director, the director's contributions to the Corporation, the effect such resignation may have on the Corporation's ability to comply with any applicable governance rules and policies and the dynamics of the Board, and any other factors that the Committee considers relevant.

The Board shall review, consider and act on the Committee's recommendation within 90 days following the applicable shareholders' meeting and announce its decision via press release, after considering and evaluating the factors considered by the Committee and any other factors that the Board considers relevant. A copy of that press release shall be provided to the Toronto Stock Exchange. The Board will be expected to accept the resignation except in situations where

extenuating circumstances would warrant the director to continue to serve on the Board. However, if the Board declines to accept the resignation, it will include in the press release the reasons for its decision.

If a resignation is accepted, the Board may, in accordance with the *Business Corporations Act* (Ontario) and the Corporation's articles and previously-passed shareholders' resolutions, appoint a new director to fill any vacancy created by the resignation, leave the vacancy unfilled until the next annual general meeting of shareholders, reduce the size of the Board within the minimum and maximum number of directors fixed under the Corporation's articles, or call a special meeting of the shareholders of the Corporation to elect a new director to fill the vacant position. If a director does not tender his or her resignation in accordance with this policy, the Board will not re-nominate that director at the next election.

If a sufficient number of the Committee members receive a Majority Withheld Vote in the same election, such that the Committee no longer has a quorum, then the independent directors shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board whether to accept them. If the only directors who do not receive a Majority Withheld Vote in the same election do not constitute a quorum for a Board meeting, then the Directors receiving a Majority Withheld Vote will be counted for the purpose of determining whether the Board has quorum for such meeting, but will not be permitted to participate in or vote on the determination of whether to accept his or her own resignation at such meeting.

The Committee may adopt such procedures as it sees fit to assist in its determinations with respect to this policy.

Dated: December 14, 2016.