

**AMENDED AND RESTATED BY-LAW NO. 2 (ADVANCE NOTICE BY-LAW)**  
**of**  
**NEW FLYER INDUSTRIES INC.**  
**(the “Corporation”)**

**(Adopted by the Board of Directors with immediate effect on May 11, 2017)**

**NOMINATION OF DIRECTORS**

**Section 1.1** 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 to the board of directors (the “**Board**”) of the Corporation. Nominations of persons for election to the Board may only be made at an annual meeting of shareholders, or at a special meeting of shareholders called for any purpose which includes the election of directors to the Board, as follows:

- (a) by or at the direction of the Board or an authorized officer of the Corporation, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act* (Ontario) (the “**Act**”) or a requisition of shareholders made in accordance with the provisions of the Act; or
- (c) by any person entitled to vote at such meeting (a “**Nominating Shareholder**”), who: (A) is, at the close of business on the date of giving notice provided for in Section 1.3 below and on the record date for notice of such meeting, either entered in the securities register of the Corporation as a 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 (B) has given timely notice in proper written form as set forth in this By-Law No. 2.

**Section 1.2** For the avoidance of doubt, the foregoing Section 1.1 shall be the exclusive means for any person to bring nominations for election to the Board before any annual or special meeting of shareholders of the Corporation. No person shall be eligible for election as a director of the Corporation unless such person has been nominated in accordance with the provisions of this By-Law No. 2.

**Section 1.3** For a nomination made by a Nominating Shareholder to be a timely notice (a “**Timely Notice**”), the Nominating Shareholder’s notice must be received by the Corporate Secretary of the Corporation at the principal executive offices of the Corporation:

- (a) in the case of an annual meeting of shareholders, not later than the close of business on the 30<sup>th</sup> day before the date of the meeting; provided, however, if

the first public announcement made by the Corporation of the date of the annual meeting is less than 50 days prior to the meeting date, not later than the close of business on the 10th day following the day on which the first public announcement of the date of such annual meeting is made by the Corporation;

- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the Board, not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting is made by the Corporation.

**Section 1.4** To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must comply with all the provisions of this Section 1.4 and:

- (a) disclose or include, as applicable, as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "**Proposed Nominee**"):
  - (i) their name, age, business and residential address, principal occupation or employment for the past five years and status as a "resident Canadian" (as such term is defined in the Act);
  - (ii) their direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date (s) on which such securities were acquired;
  - (iii) any contracts, relationships, agreements, arrangements or understandings, including financial, compensation and indemnity related contracts, relationships, agreements, arrangements or understandings, between (x) the Proposed Nominee or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee, and (y) the Nominating Shareholder or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee;
  - (iv) a statement as to whether such person would be "independent" of the Corporation (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a director at such meeting and the reasons and basis for such determination;
  - (v) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the Act or applicable securities laws; and

- (vi) a duly completed personal information form in respect of the Proposed Nominee in the form prescribed by the principal stock exchange on which the securities of the Corporation are then listed for trading;
- (b) disclose or include, as applicable, as to each Nominating Shareholder giving the notice and each beneficial owner of securities of the Corporation, if any, on whose behalf the nomination is made and any affiliate, associate or joint actor of the foregoing:
- (i) their name, business and residential address, direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount of such securities;
  - (ii) their interests in, or rights or obligations associated with, a contract, relationship, agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Corporation or the person's economic exposure to the Corporation, including any derivative or hedging arrangements;
  - (iii) any proxy, contract, relationship, agreement, arrangement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Corporation or the nomination of directors to the Board;
  - (iv) their direct and indirect interest in any contract with the Corporation or with any of the Corporation's affiliates, competitors and material suppliers;
  - (v) a representation that the Nominating Shareholder is a holder of record of securities of the Corporation, or a beneficial owner, entitled to vote at such meeting;
  - (vi) whether the Nominating Shareholder intends to deliver a proxy circular and/or form of proxy to any shareholder of the Corporation in connection with the election of directors or otherwise solicit proxies or votes from shareholders of the Corporation in support of such nomination; and
  - (vii) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or as required by applicable securities laws;

- (c) Such notice shall include a written consent duly signed by each Proposed Nominee to being named as a nominee and to serve as a director of the Corporation, if elected.
- (d) Reference to “Nominating Shareholder” in this Section 1.4 shall be deemed to refer to each shareholder that nominates a person for election as director in the case of a nomination proposal where more than one shareholder is involved in making such nomination proposal.

**Section 1.5** All information to be provided in a Timely Notice shall be provided as of the date of such notice. The Nominating Shareholder shall update such information forthwith so that it is true and correct in all material respects. Notwithstanding any other provision of this By-Law No. 2, no changes to the Proposed Nominee(s) may be made after the applicable date set forth in Section 1.3.

**Section 1.6** The Corporation may require that any Proposed Nominee furnish such other information as may be required to be contained in a dissident proxy circular or by applicable law or regulation to determine the independence of the Proposed Nominee or his or her eligibility to serve as a director of the Corporation or a member of any committee of the Board.

**Section 1.7** Any notice, or other document or information required to be given to the Corporation pursuant to this By-Law No. 2 may only be given by personal delivery, facsimile transmission or by email (at such facsimile number or email address as may be stipulated from time to time by the Corporation for purposes of this By-Law No. 2), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Corporate Secretary at the address of the principal executive offices of the Corporation, email to the Corporate Secretary (at the address as aforesaid) or sent by facsimile transmission to the Corporate Secretary (at the number as aforesaid provided that receipt of confirmation of such transmission has been received); provided that if such delivery or facsimile or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Winnipeg time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

**Section 1.8** Additional Matters

- (a) The chair of any meeting of shareholders of the Corporation shall have the power to determine whether any proposed nomination is made in accordance with the provisions of this By-Law No. 2, and if any proposed nomination is not in compliance with such provisions, must declare that such defective nomination shall not be considered at any meeting of shareholders.
- (b) The Board may, in its sole discretion, waive any requirement of this By-Law No. 2.
- (c) For the purposes of this By-Law No. 2, “public announcement” means disclosure in a press release disseminated by the Corporation through a national

news service in Canada, or in a document filed by the Corporation for public access under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).

- (d) This By-Law No. 2 is subject to, and should be read in conjunction with, the Act and the articles of incorporation of the Corporation, as amended (the “**Articles**”). If there is any conflict or inconsistency between any provision of the Act or the Articles and any provision of this By-Law No. 2, the provision of the Act or the Articles will govern.