

**AIRBOSS ENGINEERED PRODUCTS INC.,  
IMMEDIATE RESPONSE TECHNOLOGY, LLC AND  
CRITICAL SOLUTIONS ACQUISITION, INC.**

**CONTRIBUTION AGREEMENT**

**AirBoss of America Corp.**

- and -

**Critical Solutions Holdings, LLC**

- and -

**Critical Solutions Acquisition, Inc.**

- and -

**AirBoss Defense Group, L.P.**

- and -

**AirBoss Defense Group Ltd.**

- and -

**AirBoss Defense Group, LLC**

---

May 9, 2019

---

## TABLE OF CONTENTS

### **ARTICLE 1** **INTERPRETATION**

1.1	Defined Terms .....	2
1.2	Rules of Construction.....	16
1.3	Entire Agreement .....	16
1.4	Time of Essence .....	17
1.5	Governing Law and Submission to Jurisdiction .....	17
1.6	Severability .....	17
1.7	Knowledge .....	17
1.8	Disclosure Letter and Exhibits .....	17

### **ARTICLE 2** **PURCHASE AND SALE**

2.1	Purchase and Sale.....	18
2.2	Purchase Price.....	19
2.3	Payment of Purchase Price .....	20
2.4	Covenant to Complete Reorganization and Financings.....	20
2.5	Withholding .....	20

### **ARTICLE 3** **CLOSING**

3.1	Closing .....	20
3.2	Closing Deliveries by AirBoss .....	22
3.3	Closing Deliveries by CSH.....	22
3.4	Closing Deliveries by Canco .....	23
3.5	Closing Deliveries by USLP .....	24
3.6	Closing Deliveries by CSA .....	24
3.7	Closing Deliveries by Newco .....	25
3.8	Conditions of Closing in Favour of AirBoss.....	25
3.9	Conditions of Closing in Favour of CSH .....	26
3.10	Mutual Conditions of Closing .....	26
3.11	Section 85 Election .....	27

### **ARTICLE 4** **REPRESENTATIONS AND WARRANTIES OF AIRBOSS**

4.1	Organization of AirBoss .....	27
4.2	Authorization .....	27
4.3	AEP Shares and IRT Membership Interests .....	28
4.4	No Other Agreements to Purchase .....	28
4.5	No Violation by AirBoss .....	29
4.6	Residency .....	29
4.7	Organization of AEP and IRT.....	29
4.8	No Violation by AEP and IRT .....	29
4.9	No Options .....	30
4.10	No Subsidiaries.....	30

4.11	Business of AEP and IRT .....	30
4.12	Title to Personal and Other Property .....	30
4.13	Location of AirBoss Owned Real Property and AirBoss Leased Real Property ..	31
4.14	AirBoss Owned Real Property .....	31
4.15	AirBoss Leased Real Property .....	32
4.16	Inventories .....	32
4.17	AirBoss Intellectual Property .....	32
4.18	Insurance .....	33
4.19	No Expropriation .....	34
4.20	Agreements and Commitments .....	34
4.21	Compliance with Laws; Authorizations .....	35
4.22	Trade Controls and Anti-Corruption .....	36
4.23	AirBoss Financial Statements; Absence of Liabilities .....	36
4.24	Books and Records .....	37
4.25	Absence of Changes .....	37
4.26	Taxes .....	37
4.27	Litigation .....	39
4.28	GST Registration .....	40
4.29	Environmental .....	40
4.30	AirBoss Employee Plans .....	40
4.31	Customers and Suppliers .....	42
4.32	AirBoss Employment Agreements, Collective Agreements and Labour Relations	42
4.33	AirBoss Employees and Employment Legislation .....	42
4.34	Affiliates .....	43
4.35	Brokers .....	43

**ARTICLE 5**  
**REPRESENTATIONS AND WARRANTIES OF CSH**

5.1	Organization of CSH .....	43
5.2	Authorization .....	43
5.3	CSA Shares .....	44
5.4	No Other Agreements to Purchase .....	44
5.5	No Violation by CSH .....	44
5.6	Organization of CSA and CSI .....	44
5.7	No Violation by CSA or CSI .....	45
5.8	No Options .....	45
5.9	No Subsidiaries .....	45
5.10	Business of CSA and CSI .....	45
5.11	Title to Personal and Other Property .....	46
5.12	Location of CSI Owned Real Property and CSI Leased Real Property .....	46
5.13	CSI Owned Real Property .....	46
5.14	CSI Leased Real Property .....	47
5.15	Inventories .....	48
5.16	CSI Intellectual Property .....	48
5.17	Insurance .....	49
5.18	No Expropriation .....	49
5.19	Agreements and Commitments .....	49
5.20	Compliance with Laws; Authorizations .....	51
5.21	Trade Controls and Anti-Corruption .....	51
5.22	CSI Financial Statements; Absence of Liabilities .....	52

5.23	Books and Records.....	52
5.24	Absence of Changes.....	52
5.25	Taxes .....	53
5.26	Litigation.....	54
5.27	Environmental .....	54
5.28	CSI Employee Plans .....	55
5.29	Customers and Suppliers.....	56
5.30	CSI Employment Agreements, Collective Agreements and Labour Relations ....	57
5.31	CSI Employees and Employment Legislation .....	57
5.32	Affiliates .....	57
5.33	Brokers.....	57

**ARTICLE 6**  
**REPRESENTATIONS AND WARRANTIES OF PURCHASERS**

6.1	Organization.....	58
6.2	Authorization .....	58
6.3	No Violation.....	58
6.4	Consents and Approvals.....	58
6.5	Litigation.....	59
6.6	Brokers.....	59
6.7	Investment Canada.....	59

**ARTICLE 7**  
**COVENANTS**

7.1	Access to AEP and IRT .....	59
7.2	Access to CSA .....	59
7.3	Confidentiality .....	60
7.4	Conduct of Business of AEP and IRT Prior to Closing .....	60
7.5	Conduct of Business of CSI Prior to Closing .....	62
7.6	Books and Records.....	64
7.7	Tax Returns of AEP .....	64
7.8	Tax Returns of CSA and IRT .....	64
7.9	Transfer Taxes.....	65
7.10	Intended U.S. Tax Treatment.....	65
7.11	Government Authorizations; Efforts to Closing; AirBoss IP .....	65
7.12	Financing .....	67
7.13	.....	68

**ARTICLE 8**  
**TERM AND TERMINATION**

8.1	Term.....	69
8.2	Termination .....	69

**ARTICLE 9**  
**SURVIVAL AND INDEMNIFICATION**

9.1	Survival of Representations, Warranties and Covenants .....	70
9.2	Indemnification by AirBoss.....	70
9.3	Indemnification by CSH .....	71

9.4	Monetary Limitation of Liability; Limited Recourse.....	72
9.5	Notice of Claim.....	72
9.6	Time Limits for Notice of Claim for Breach of Representations and Warranties and Taxes Owing.....	73
9.7	Limitation Periods for Claims for Breach of Representations and Warranties and Taxes Owing.....	74
9.8	Direct Claims.....	74
9.9	Third Party Claims .....	74
9.10	Exclusivity .....	75

**ARTICLE 10**  
**MISCELLANEOUS**

10.1	Notices .....	75
10.2	Amendments and Waivers.....	77
10.3	Assignment; Remedies .....	77
10.4	Successors and Assigns.....	78
10.5	Expenses; Commissions.....	78
10.6	Consultation .....	78
10.7	Further Assurances.....	78
10.8	Counterparts .....	78

**THIS AGREEMENT** made as of the 9th day of May, 2019,

**B E T W E E N:**

**AIRBOSS OF AMERICA CORP.,**  
a corporation existing under the laws of  
the Province of Ontario,

(hereinafter referred to as “**AirBoss**”),

- and -

**CRITICAL SOLUTIONS HOLDINGS, LLC,**  
a limited liability company existing under the laws of  
Delaware,

(hereinafter referred to as “**CSH**” and, together with  
AirBoss, “**Sellers**”),

- and -

**CRITICAL SOLUTIONS ACQUISITION, INC.**  
a corporation existing under the laws of Delaware,

(hereinafter referred to as “**CSA**”),

- and -

**AIRBOSS DEFENSE GROUP, L.P.,**  
a limited partnership existing under the laws of  
Delaware,

(hereinafter referred to as “**USLP**”),

- and -

**AIRBOSS DEFENSE GROUP LTD.,**  
a corporation existing under the laws of  
Quebec,

(hereinafter referred to as “**Canco**”),

- and -

**AIRBOSS DEFENSE GROUP, LLC,**  
a limited liability company existing under the laws of  
Delaware,

(hereinafter referred to as “**Newco**” and, together  
with CSA, USLP and Canco, “**Purchasers**”).

WHEREAS, on the terms set forth herein, AirBoss wishes to sell to Canco and Canco wishes to purchase from AirBoss all of the outstanding shares of AEP;

AND WHEREAS, on the terms set forth herein, AirBoss wishes to contribute to USLP and USLP wishes to acquire from AirBoss all of the issued and outstanding membership interests of IRT;

AND WHEREAS, on the terms set forth herein, CSH wishes to contribute to USLP and USLP wishes to acquire from CSH all of the issued and outstanding shares of CSA;

AND WHEREAS, on the terms set forth herein, USLP wishes to contribute to CSA and CSA wishes to acquire from USLP all of the issued and outstanding membership interests of IRT;

AND WHEREAS, on the terms set forth herein, CSH wishes to contribute to Newco and Newco wishes to acquire from CSH all of the issued and outstanding Class B common shares of AEP Amalco;

AND WHEREAS the Parties acknowledge that the Reorganization and the Financings shall occur in the order set out in Exhibit A;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

## **ARTICLE 1** **INTERPRETATION**

### **1.1 Defined Terms**

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

**“AEP”** means AirBoss Engineered Products Inc., a corporation organized under the laws of the Province of Quebec;

**“AEP Amalco”** means a corporation organized under the laws of the Province of Quebec that is to be formed by the amalgamation of AEP and Canco pursuant to the Reorganization;

**“AEP Amalco Shares”** means the Class B common shares of AEP Amalco having a value of \$7,527,272.74;

**“AEP Shares”** means the common shares of AEP held by AirBoss;

**“AEP Amalco Shareholders Agreement”** means that certain securityholders agreement with respect to AEP Amalco substantially in the form attached as Exhibit G hereto;

**“Affiliate”** has the following meaning: an entity (the **“first entity”**) is the Affiliate of another entity (the **“second entity”**) where the second entity controls the first entity, or the first entity controls the second entity or both entities are controlled by the same Person or entity. For purposes of this definition, “control” is the power whether by contract or ownership of equity interests to select a majority of the board of directors or other supervisory management authority of an entity, whether directly or indirectly through a chain of entities that are “controlled” within the foregoing meaning;

**“AirBoss Business”** has the meaning set out in Section 4.11;

**“AirBoss Computer Systems”** has the meaning set forth in Section 4.17(a)(e);

**“AirBoss Disclosure Letter”** means the disclosure letter dated the date of this Agreement and delivered by AirBoss to CSH and Purchasers with this Agreement;

**“AirBoss Employee Plans”** means any Employee Plans which AEP or IRT are party to, contribute to or are required to contribute to, sponsor, administer or maintain, in which the AirBoss Employees participate, or under or with respect to which AEP or IRT will following the Closing have any liability or obligation;

**“AirBoss Employees”** means all of the individuals who are full-time, part-time and temporary employees and individuals engaged on contract to provide employment services or sales and other individual agents or representatives (independent contractors) of each of AEP and IRT as of the date of this Agreement;

**“AirBoss Financial Statements”** means, collectively, the unaudited consolidated financial statements of AEP and IRT as at and for the financial years ended December 31, 2018 and December 31, 2017, and the unaudited consolidated financial statements of AEP and IRT as at and for the two months ended February 28, 2019, copies of which are attached as Schedule 1.1(a) of the AirBoss Disclosure Letter;

**“AirBoss Fundamental Representations”** has the meaning set out in Section 9.6(a)(a)(i);

**“AirBoss Intellectual Property”** means any and all Intellectual Property Rights owned or purported to be owned by AEP or IRT and used or held for use in carrying on the AirBoss Business (or by AirBoss, with respect to the AirBoss Business), including the items set forth on Schedule 4.17(a) of the AirBoss Disclosure Letter

**“AirBoss Leased Real Property”** has the meaning set out in Section 4.13;

**“AirBoss Leases”** has the meaning set out in Section 4.15;

**“AirBoss Material Adverse Effect”** means any event, change or effect that, when taken individually or together with all other adverse effects, will or is reasonably likely to have a material adverse effect on the business, assets, liabilities, results of operations or financial condition of AEP and IRT taken as a whole; provided, however, that any such event, change or effect resulting from or arising in connection with:

- (a) any change or development generally affecting the industries or markets in which AEP and IRT operate or conduct business;
- (b) any change or development in currency exchange, interest or inflation rates or in general economic, business, regulatory, political or market conditions or in financial, securities or capital markets in Canada, the United States or in global financial or capital markets;
- (c) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Body;
- (d) any change in IFRS or changes in applicable regulatory accounting requirements applicable to the industries in which it conducts business;
- (e) any hurricane, flood, tornado, earthquake or other natural disaster or man-made disaster;
- (f) the commencement or continuation of war, armed hostilities, including the escalation or worsening thereof, or acts of terrorism;
- (g) the failure of AEP and IRT to meet any internal or published projections, forecasts, guidance or estimates of revenues, earnings or cash flow for any period ending on or after the date of this Agreement (provided, however, that the causes underlying such failure may be considered to determine whether such failure constitutes an AirBoss Material Adverse Effect);
- (h) any matter disclosed in the AirBoss Disclosure Schedule, to the extent it is reasonably apparent on the face of such disclosure that such matter will or is reasonably likely to have a material adverse effect on the business, assets, liabilities, results of operations or financial condition of AEP and IRT taken as a whole;
- (i) the announcement of this Agreement or the transactions contemplated hereby, including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of AEP or IRT with any of its current or prospective employees, customers, shareholders, distributors, suppliers, counterparties, insurance underwriters or partners; or
- (j) any action taken (or omitted to be taken) by AirBoss, AEP or IRT outside the ordinary course of business which is required to be taken (or omitted to be taken) pursuant to this Agreement or that is consented to by CSH in writing,

is not an AirBoss Material Adverse Effect and is not to be taken into account in determining whether an AirBoss Material Adverse Effect has occurred; provided, however, (i) if any change, event, occurrence, effect, state of facts, or circumstance referred to in clauses (a) through to and including (f) above has a materially disproportionate effect on AEP and IRT, taken as a whole, relative to other comparable companies and entities operating in the industries in which AEP and IRT operate, such effect may be taken into account in determining whether an AirBoss Material Adverse Effect has occurred; and (ii) that references in this Agreement to dollar amounts are not

intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether an AirBoss Material Adverse Effect has occurred;

**“AirBoss Material Contracts”** has the meaning set out in Section 4.20(a)(a);

**“AirBoss Note”** means the interest-bearing note owing by USLP to AirBoss with principal amount of \$10,000,000 in a form reasonably agreed to in good faith by the Sellers prior to the Closing;

**“AirBoss Owned Real Property”** has the meaning set out in Section 4.13;

**“AirBoss Pension Plans”** means any AirBoss Employee Plan that is a Pension Plan;

**“AirBoss Statutory Plans”** means Statutory Plans to which AirBoss is required to contribute;

**“Ancillary Agreements”** means the Management Services Agreement, the AEP Amalco Securityholders Agreement, the AirBoss Note, the VTB Notes, the USLP Limited Partnership Agreement, and the USLP Securityholders Agreement;

**“Anti-Corruption Laws”** means applicable Laws related to anti-corruption and anti-bribery, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act of 2010, and any other Law that prohibits bribery, corruption, fraud, or other improper payments.

**“Authorization”** means, with respect to any Person, any order, permit, approval, consent, waiver, licence, certificate, registration, exemption or similar authorization (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of any Governmental Body having jurisdiction over such Person;

**“Burdensome Condition”** has the meaning set out in Section 7.11(a)(c);

**“Business Day”** means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario or the State of New York on which commercial banks in Toronto, Ontario or New York, New York are open for business;

**“Canco VTB Note”** has the meaning set out in Section 2.2(a)(a);

**“CFIUS”** means the Committee on Foreign Investment in the United States or any U.S. Government agency acting in its capacity as a member of CFIUS or directly involved in CFIUS’s review of the transactions;

**“CFIUS Approval”** shall mean that (i) CFIUS has issued a written notice that the transactions do not constitute a “covered transaction” pursuant to 31 C.F.R. § 800.207, (ii) CFIUS has issued a written notice to the parties that it has concluded a review or investigation of the transactions and has concluded all action under the DPA, or (iii) if CFIUS has sent a report to the President of the United States requesting the President’s decision, the President has announced a decision not to take any action to suspend or prohibit the transactions; provided, however, that if the written notice described in clause

(ii) above requires or contemplates that Purchasers or Sellers take or agree to take, or will take or agree to take, any actions that would, individually or in the aggregate, reasonably be expected to constitute a Burdensome Condition, then the issuance of such written notice will not constitute CFIUS Approval;

“**Claim**” has the meaning set out in Section 9.5(a)(a);

“**Closing**” means the closing of the transactions contemplated hereby;

“**Closing Date**” means the third Business Day following the satisfaction or waiver of the conditions set out in Sections 3.8, 3.9 and 3.10 (other than those Closing conditions that by their nature are only capable of being satisfied on the Closing Date, but subject to the satisfaction or waiver of those conditions as of Closing) or such other date as Sellers and Purchasers may mutually determine;

“**Code**” means the *U.S. Internal Revenue Code of 1986*, as amended;

“**Commercially Reasonable Efforts**” means the efforts that a prudent Person desirous of achieving a result would use in similar circumstances to achieve that result in a time efficient manner, provided, however, that such Person will not be required to (i) take actions that would result in a material adverse change in the benefits to such Person of this Agreement, (ii) dispose of or make any change to its business, (iii) expend any material funds except funds that are due and payable in any event or are for incidental expenses or payments required by Law, or (iv) incur any other material burden;

“**Confidentiality Agreement**” means the confidentiality agreement dated July 5, 2018 between AirBoss and CSH;

“**Contract**” means any written or oral legally binding agreement, indenture, contract, lease, deed of trust, licence, option, instrument or other commitment;

“**COTS Licenses**” means agreements for commercially available off-the-shelf Software with a replacement cost or annual license, maintenance and subscription fee of less than \$25,000 in the aggregate.

“**CSA Purchase Price**” has the meaning set out in Section 2.2(c).

“**CSA Shares**” means the 100 common shares of CSA held by CSH;

“**CSI**” means Critical Solutions International, Inc., a Texas corporation.

“**CSI Business**” has the meaning set out in Section 5.10;

“**CSI Employee Plans**” means any Employee Plans which CSA or CSI is a party to, contributes to or is required to contribute to, sponsors, administers or maintains, or in which the CSI Employees participate;

“**CSI Employees**” means all of the individuals who are full-time, part-time and temporary employees and individuals engaged on contract to provide employment services or sales and other individual agents or representatives (independent contractors) of CSA or CSI as of the date of this Agreement;

**“CSI Financial Statements”** means, collectively, the unaudited consolidated financial statements of CSA and CSI as at and for the financial years ended December 31, 2018 and December 31, 2017, and the unaudited consolidated financial statements of CSA and CSI as at and for the two months ended February 28, 2019, copies of which are attached as Schedule 1.1(a) of the CSA Disclosure Letter;

**“CSI Intellectual Property”** means any and all Intellectual Property Rights owned or purported to be owned by CSA or CSI and used or held for use in carrying on the CSI Business, including the items set forth on Schedule 5.16 of the AirBoss Disclosure Letter);

**“CSI Leased Real Property”** has the meaning set out in Section 5.12;

**“CSI Leases”** has the meaning set out in Section 5.14;

**“CSI Material Adverse Effect”** means any event, change or effect that, when taken individually or together with all other adverse effects, will or is reasonably likely to have a material adverse effect on the business, assets, liabilities, results of operations or financial condition of CSA and CSI taken as a whole; provided, however, that any such event, change or effect resulting from or arising in connection with:

- (a) any change or development generally affecting the industries or markets in which CSA or CSI operates or conducts business;
- (b) any change or development in currency exchange, interest or inflation rates or in general economic, business, regulatory, political or market conditions or in financial, securities or capital markets in Canada, the United States or in global financial or capital markets;
- (c) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Body;
- (d) any change in GAAP or changes in applicable regulatory accounting requirements applicable to the industries in which it conducts business;
- (e) any hurricane, flood, tornado, earthquake or other natural disaster or man-made disaster;
- (f) the commencement or continuation of war, armed hostilities, including the escalation or worsening thereof, or acts of terrorism;
- (g) the failure of CSA or CSI to meet any internal or published projections, forecasts, guidance or estimates of revenues, earnings or cash flow for any period ending on or after the date of this Agreement (provided, however, that the causes underlying such failure may be considered to determine whether such failure constitutes a CSI Material Adverse Effect);
- (h) any matter disclosed in the CSH Disclosure Schedule, to the extent it is reasonably apparent on the face of such disclosure that such matter will or is reasonably likely to have a material adverse effect on the business, assets,

liabilities, results of operations or financial condition of CSA and CSI taken as a whole;

- (i) the announcement of this Agreement or the transactions contemplated hereby, including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of CSA or CSI with any of its current or prospective employees, customers, shareholders, distributors, suppliers, counterparties, insurance underwriters or partners; or
- (j) any action taken (or omitted to be taken) by CSH, CSA or CSI outside the ordinary course of business which is required to be taken (or omitted to be taken) pursuant to this Agreement or that is consented to by AirBoss in writing,

is not a CSI Material Adverse Effect and is not to be taken into account in determining whether a CSI Material Adverse Effect has occurred; provided, however, (i) if any change, event, occurrence, effect, state of facts, or circumstance referred to in clauses a through to and including (f) above has a materially disproportionate effect on CSA and CSI, taken as a whole, relative to other comparable companies and entities operating in the industries in which CSA or CSI operates, such effect may be taken into account in determining whether a CSI Material Adverse Effect has occurred; and (ii) that references in this Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether a CSI Material Adverse Effect has occurred;

**“CSI Material Contracts”** has the meaning set out in Section 5.19(a)(a);

**“CSI Owned Real Property”** has the meaning set out in Section 5.12;

**“CSI Pension Plans”** means any CSI Employee Plan that is a Pension Plan;

**“CSI Statutory Plans”** means Statutory Plans to which CSA is required to contribute;

**“CSH Fundamental Representations”** has the meaning set out in Section 9.6(a)(b)(i);

**“CSH Disclosure Letter”** means the disclosure letter dated the date of this Agreement and delivered by CSH to AirBoss and Purchasers with this Agreement;

**“CSH Note”** means the Subordinated Promissory Note dated February 1, 2011 issued by CSA to CSH in an original principal amount of \$35,000,000;

**“Data Security Requirements”** means, collectively, all of the following, to the extent relating to data treatment (including the access, collection, storage, processing, transfer and use of data) or otherwise relating to privacy, security, anti-spam or security breach notification requirements: (i) applicable Laws (including, as applicable, the General Data Protection Regulation (GDPR)); (ii) a party’s own policies, procedures and practices; and (iii) Contracts to which to a party has entered or by which it is otherwise bound (including, if applicable, with respect to the Payment Card Industry Data Security Standard (PCI DSS));

**“DDTC”** means the Directorate of Defense Trade Controls of the U.S. Department of State;

**“Deemed Exchanged Interests”** has the meaning set forth in Section 7.10;

**“Designated Time Point”** has the meaning set out in Section 2.1;

**“Direct Claim”** has the meaning set out in Section 9.5(a)(a);

**“Disclosure Letters”** means the AirBoss Disclosure Letter and the CSA Disclosure Letter;

**“DPA”** means Section 721 of Title VII of the Defense Production Act of 1950, as amended (50 U.S.C. § 4565), and all rules and regulations promulgated thereunder, including those codified at 31 C.F.R. Parts 800-801 *et seq.*;

**“Elected Amount”** has the meaning set out in Section 3.11;

**“Employee Plans”** means all “employee benefit plans” (as defined in Section 3(3) of ERISA, whether or not subject to ERISA), and each other fringe benefit, supplemental unemployment benefit, bonus, incentive, profit sharing, termination, change of control, pension, retirement, savings, stock option, stock purchase, stock appreciation, health, welfare, medical, dental, disability, life insurance and similar plans, arrangements, agreements, programs, policies, practices or undertakings, formal or informal, funded or unfunded, insured or uninsured, registered or unregistered, excluding Statutory Plans and Multi-Employer Plans;

**“Encumbrance”** means any encumbrance, lien, license, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege or any Contract to create any of the foregoing;

**“Environmental Laws”** has the meaning set out in Section 4.29(a)(a)(i);

**“Environmental Permits”** has the meaning set out in Section 4.29(a)(a)(ii);

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

**“Ex-Im Laws”** means all applicable Laws and regulations related to the export, reexport, transfer, retransfer, deemed export, or import of goods, services, technology, software, software source code, or any other items, including but not limited to the U.S. Export Administration Regulations and the International Traffic in Arms Regulations; all other applicable laws and regulations governing exports, imports, and customs, except to the extent inconsistent with U.S. law; and U.S. antiboycott laws and regulations.

**“ETA”** means Part IX of the *Excise Tax Act* (Canada), as amended from time to time;

**“Financings”** means the borrowing of \$50,000,000 by Canco from a U.S. bank to fund the purchase of the AEP Shares and the borrowing of \$10,000,000 by CSA from a U.S. bank to fund the repayment of the CSH Note;

**“GAAP”** means United States generally accepted accounting principles;

**“Governmental Body”** means any domestic or foreign (a) federal, provincial, state, municipal, local or other government, (b) any governmental or quasi-governmental authority of any nature, including any arbitral body (public or private), governmental ministry, agency, branch, department, court, commission, board, tribunal, bureau or instrumentality, or (c) any body exercising or entitled to exercise any administrative, executive, judicial, legislative, regulatory or taxing authority or power of any nature;

**“Government Contract”** means any Contract for the sale of supplies or services currently in performance that is between a Party and a Governmental Body or entered into by a Party as a subcontractor at any tier in connection with a Contract between another Person and a Governmental Body.

**“Governmental Official”** shall mean any officer or employee of a Governmental Body or any department, agency or instrumentality thereof, including state-owned entities, or of a public organization or any person acting in an official capacity for or on behalf of any such government, department, agency, or instrumentality or on behalf of any such public organization.

**“GST”** means all Taxes payable under the ETA (including, for greater certainty, the harmonized sales Tax) or under any provincial legislation similar to the ETA (including An Act Respecting the Québec Sales Tax (Québec)), and any reference to a specific provision of the ETA or any such provincial legislation shall refer to any successor provision thereto of like or similar effect;

**“Hazardous Substances”** means any substance, material or waste defined, regulated, listed or prohibited by, or for which liability or standards of conduct may be imposed pursuant to, Environmental Laws;

**“ICA Approval”** means that forty-five (45) days shall have passed since the filing of a notification under Section 12 of the Investment Canada Act and the applicable Minister (as defined in the Investment Canada Act) shall have neither:

- (i) issued an order for a national security review; nor
- (ii) given notice that an order for national security review may possibly be issued

in respect of the transactions contemplated by this Agreement; or, in the event that the Minister has taken the actions described in (i) or (ii) in respect of the transactions contemplated by this Agreement, one of the following shall have occurred:

- (iii) the Minister shall have given notice that no order for the national security review of the transactions contemplated by this Agreement will be made;

- (iv) the Minister shall have given notice that no further action will be taken in respect of the transactions contemplated by this Agreement; or

- (v) the Governor-in-Council for Canada shall have made an order authorizing the implementation of the transactions contemplated by this Agreement, provided that if the order described in this clause (v) requires or contemplates that Purchasers or Sellers take or agree to take, or will take or agree to take, any actions that would,

individually or in the aggregate, reasonably be expected to constitute a Burdensome Condition, then the issuance of such an order will not constitute ICA Approval;

**“IFRS”** means International Financial Reporting Standards as published by the International Accounting Standards Board, as amended from time to time;

**“Indebtedness”** means, with respect to any Person, without duplication: (i) any indebtedness of such Person for borrowed money and any obligations issued in substitution for or exchange of obligations for borrowed money, loans or advances (other than indebtedness between a Person and its wholly-owned subsidiary); (ii) any obligations under any note, bond, debentures or other debt security, (iii) any indebtedness for borrowed money of any other Person guaranteed in any manner by such Person; (iv) any liabilities for the deferred purchase price of property or services, with respect to which such Person is liable, contingently or otherwise, as obligor or otherwise (other than accounts payable owing by way of trade credit where such accounts payable have arisen in the ordinary course of business); (v) any liabilities under capital leases, conditional sales contracts or other similar title retention instruments with respect to which such Person is liable, contingently or otherwise, as obligor, guarantor or otherwise; (vi) any interest rate, currency swap or similar hedging agreement; and (vii) all accrued and unpaid interest on, prepayment premiums, fees, penalties or similar contractual charges in respect of any of the foregoing, which would be payable if such obligations were paid in full as of such date;

**“Indemnified Party”** has the meaning set out in Section 9.5(a)(a);

**“Indemnifying Party”** has the meaning set out in Section 9.5(a)(a);

**“Intellectual Property Rights”** means any and all of the following in any jurisdiction throughout the world, presently or hereafter existing, whether arising by operation of law, contract, license or otherwise: (i) patents, industrial design registrations, patent applications, patent and industrial design disclosures and inventions (whether or not patentable or reduced to practice), as well as any reissues, continuations, continuations in part, divisionals, revisions, extensions or reexaminations thereof, (ii) trademarks, service marks, designs, trade dress, trade names, slogans, logos, internet domain name registrations, business names, corporate names, and all other indicia of origin, and registrations and applications for registration thereof, together with all of the goodwill associated with any of the foregoing (collectively, **“Marks”**), (iii) all copyrights and other works of authorship (whether or not copyrightable), database rights and moral rights, and registrations and applications for registration thereof, (iv) mask works and registrations and applications for registration thereof, (v) software (whether in object code or source code form), data, databases, tools, firmware, systems, and related documentation (collectively, **“Software”**), (vi) trade secrets and other confidential or proprietary information (including ideas, formulas, compositions, know how, processes, techniques, technologies, methods, algorithms, industrial models, architectures, layouts, research and development information, drawings, specifications, designs, molds, plans, proposals, technical data, financial, business and marketing plans and proposals, pricing and cost information and customer and supplier lists and information), (vii) all other industrial, intellectual property and proprietary rights, and (viii) all copies and tangible embodiments or descriptions of any of the foregoing (in whatever form or medium);

**“Investment Canada Act”** means the Investment Canada Act (Canada), R.S.C. 1985, c.28 (1st Supp.), as amended and the rules and regulations promulgated thereunder;

**“IRT”** means Immediate Response Technologies, LLC;

**“IRT Membership Interests”** means the membership interests in the capital of IRT held by AirBoss;

**“ITAR”** means the International Traffic in Arms Regulations, 22 CFR Parts 120-130;

**“Laws”** means, in respect of any Person, property, transaction or event, any and all applicable (i) laws (including common law), constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations, by-laws, and (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Body;

**“Losses”** means, in respect of any matter, all claims, demands, proceedings, losses, liabilities, damages, fines, costs and expenses (including all reasonable legal and other professional fees and disbursements, interest, penalties and amounts incurred or paid in investigation, enforcement or settlement) arising as a consequence of such matter;

**“Material Adverse Effect”** means an AirBoss Material Adverse Effect or a CSI Material Adverse Effect;

**“Management Services Agreement”** means that certain management services agreement to be entered into between AirBoss, Canco and CSI at Closing substantially in the form attached as Exhibit B hereto;

**“Multi-Employer Plans”** has the meaning set out in Section 147.1(1) of the Tax Act or Section 4001(a)(3) or 3(37) of ERISA;

**“Net AirBoss Working Capital”** means, at any given time, an amount equal to the combined current assets (not including cash and cash equivalents), minus the combined current liabilities, excluding current and deferred income Taxes, of AEP and IRT; in each case, determined in accordance with IFRS, applied in a manner consistent with the AirBoss Financial Statements;

**“Net CSA Working Capital”** means, at any given time, an amount equal to the current assets (not including cash and cash equivalents), minus the current liabilities, excluding current and deferred income Taxes, of CSA and CSI; in each case, determined in accordance with GAAP, applied in a manner consistent with the CSI Financial Statements;

**“Notice of Claim”** has the meaning set out in Section 9.5(a)(a);

**“Order”** means a judgment, order, writ, injunction, ruling, decision, assessment or binding directive, protocol, policy and guideline having the force of law rendered by any Governmental Body;

**“Outside Date”** means the date that is 120 days from the date of this Agreement, subject to the right of either Seller to postpone the Outside Date for up to an

additional 90 days in the aggregate if the CFIUS Approval or the ICA Approval has not been obtained, by giving written notice to the other Seller to such effect no later than 5:00 p.m. (Toronto time) on the date that is not less than five Business Days prior to the original Outside Date; provided that, notwithstanding the foregoing, a Party shall not be permitted to postpone the Outside Date if the failure to obtain the CFIUS Approval or the ICA Approval is the result of such Party's deliberate breach of its obligations under this Agreement;

**"Parties"** or **"parties"** means the parties to this Agreement;

**"Pension Plans"** means any Employee Plan that is: (i) a "registered pension plan" as defined in Section 248(1) of the Tax Act, (ii) a "registered retirement savings plans" (as defined in the Tax Act), or (iii) an "employee pension benefit plan" as defined in Section 3(2) of ERISA;

**"Permitted Encumbrances"** means:

- (a) liens for Taxes, assessments and governmental charges that are not yet due and payable or are being contested in good faith and diligently by appropriate proceedings and in respect of which adequate provision for the related monetary obligation has been made in the AirBoss Financial Statements or the CSI Financial Statements as the case may be;
- (b) in respect of real property, servitudes, easements, restrictions, rights-of-way and other similar rights or any interest therein, provided the same are not of such nature as to materially adversely affect the use or value of the property subject thereto;
- (c) in respect of real property, the reservations in any original grants from the Crown of any real property or interest therein which do not materially affect the use or value of the real property subject thereto;
- (d) non-exclusive licenses entered into with customers in the ordinary course of business consistent with past practice;
- (e) inchoate liens claimed or held by any Governmental Body or a public utility in respect of the payment of Taxes or utilities not yet due and payable; and
- (f) the Encumbrances described in Schedule 1.1(c) of the AirBoss Disclosure Letter or Schedule 1.1(c) of the CSA Disclosure Letter, as applicable;

**"Person"** means any individual, corporation, legal person, partnership, firm, joint venture, syndicate, association, trust, trustee, limited liability company, unincorporated organization, trust company, Governmental Body or any other form of entity or organization;

**"Pre-Closing Taxes"** means all Taxes payable in respect of all Pre-Closing Tax Periods (including income Taxes) and **"Pre-Closing Income Taxes"** means all income Taxes payable in respect of all Pre-Closing Tax Periods. For purposes of this definition, the Closing Date shall be treated as the last day of a taxable period whether or not the taxable period in fact ends on the Closing Date. With respect to any Straddle Period, the

amount of any Taxes based on or measured by income, receipts or transactions (including, without limitation, income, sales, use, transfer, withholding, and payroll taxes) allocable to the portion of any such period ending on the Closing Date shall be determined based on an interim closing of the books as of the close of business on the Closing Date, and the amount of other Taxes allocable to the portion of any such period ending on the Closing Date shall be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the total number of days in such taxable period.

**“Pre-Closing Tax Period”** means any taxable period (or portion thereof) ending on or before the Closing Date, and with respect to any Straddle Period, the portion of such taxable period ending on the Closing Date.

**“Purchase Price”** means the AEP Purchase Price, the IRT Purchase Price and the CSA Purchase Price;

**“Reorganization”** means the reorganization completed in accordance with the steps set out in Exhibit A;

**“Sanctioned Country”** means any country or region that is or was in the past five years the subject or target of a comprehensive embargo under Sanctions Laws (including Cuba, Iran, North Korea, Sudan, Syria and the Crimea region of Ukraine).

**“Sanctioned Person”** means any Person that is the subject or target of sanctions or restrictions under Sanctions Laws or Ex-Im Laws, including: (i) any Person listed on any applicable U.S. or non-U.S. sanctions- or export-related restricted party list, including but not limited to OFAC’s Specially Designated Nationals and Blocked Persons List, List of Persons Identified as Blocked Solely Pursuant to Executive Order 13599, and Sectoral Sanctions Identifications List; the Denied Persons, Unverified, and Entity Lists, maintained by the U.S. Department of Commerce; the Debarred List and non-proliferation sanctions lists maintained by the U.S. State Department; the EU Consolidated List of Designated Parties, maintained by the European Union; the Consolidated List of Assets Freeze Targets, maintained by HM Treasury (U.K.); and the UN Consolidated List, maintained by the UN Security Council Committee; (ii) any Person that is, in the aggregate, fifty percent (50%) or greater owned, directly or indirectly, or otherwise controlled by a Person or Persons described in clause (i) so as to subject the Person to sanctions; or (iii) any Person that is organized, resident, or located in a Sanctioned Country.

**“Sanctions Laws”** means all U.S. and non-U.S. Laws (the latter except to the extent inconsistent with U.S. law), regulations, embargoes or restrictive measures relating to economic or trade sanctions administered or enforced by the United States (including by OFAC, the U.S. Department of State, and the U.S. Department of Commerce), Canada, the United Kingdom, the United Nations Security Council, the European Union, any EU Member State, or any other relevant Governmental Body.

**“Statutory Plans”** means all government sponsored plans to which an employer is required to contribute on behalf of its employees;

**“Straddle Period”** means any taxable period which begins on or before the Closing Date and ends after the Closing Date;

**“Straddle Period Return”** means a Tax Return for a Straddle Period;

**“Tax Act”** means the *Income Tax Act* (Canada), as amended from time to time;

**“Tax Return”** means any return (including any information return), report, statement, schedule, notice, form, declaration, election, claim for refund or other document or information filed with or submitted to, or required to be filed with or submitted to, any Governmental Body in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of or compliance with any legal requirement relating to any Tax;

**“Taxes”** means any U.S. or non-U.S. federal, provincial, territorial, state or local income, goods and services, harmonized sales, value added, corporation, land transfer, licence, payroll, excise, sales, use, capital, withholding or other tax, levy, duty, assessment, reassessment or other charge of any kind whatsoever, whether direct or indirect, including any interest and penalty or other addition to or on any of the foregoing, whether disputed or not, imposed by a Governmental Body, and for greater certainty includes Canada Pension Plan, Québec Pension Plan and employment insurance premiums;

**“Third Party”** has the meaning set out in Section 9.9(a)(c);

**“Third Party Claim”** has the meaning set out in Section 9.5(a)(a);

**“Time of Closing”** means 10:00 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as Sellers and Purchasers may agree;

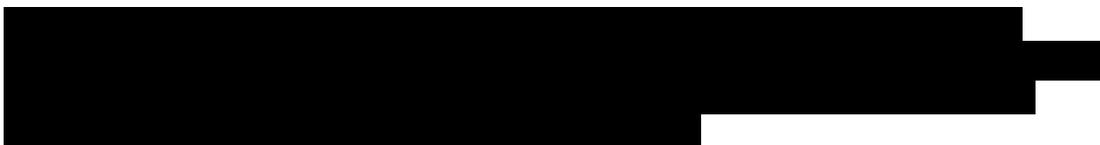
**“Trade Controls”** has the meaning set out in Section 4.22(a)(a);

**“Treasury Regulations”** means the U.S. Treasury Regulations promulgated pursuant to the Code;

**“USLP Limited Partnership Agreement”** means that certain limited partnership with respect to USLP substantially in the form attached as Exhibit E hereto;

**“USLP Securityholders Agreement”** means that certain securityholders agreement with respect to USLP substantially in the form attached as Exhibit F hereto;

**“US VTB Note”** has the meaning set out in Section 3.1(a)(a)(xii);



**“VTB Notes”** means the Canco VTB Note and the US VTB Note.

## **1.2 Rules of Construction**

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

- (a) the terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (b) references to an “Article”, “Section”, “Schedule” or “Exhibit” followed by a number or letter refer to the specified Article or Section of or Schedule or Exhibit to this Agreement;
- (c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;
- (e) the word “including” is deemed to mean including without limitation;
- (f) the terms “party” and “the parties” refer to a party or the parties to this Agreement;
- (g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;
- (h) all dollar amounts refer to US dollars;
- (i) any time period within which a payment is to be made or other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- (j) whenever any payment is required to be made, action is required to be taken or period of time is to expire on a day other than a Business Day, such payment shall be made, action shall be taken or period shall expire on the next following Business Day.

## **1.3 Entire Agreement**

This Agreement and the agreements and documents referred to herein constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral, including without limitation, the letter of intent dated February 2, 2019 among CSI, IRT and AEP. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided herein or the agreements and documents referred to herein.

**1.4 Time of Essence**

Time shall be of the essence of this Agreement.

**1.5 Governing Law and Submission to Jurisdiction**

(a) This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.

(b) Each of the parties irrevocably and unconditionally (i) submits to the exclusive jurisdiction of the courts of the Province of Ontario over any action or proceeding arising out of or relating to this Agreement, (ii) agrees to commence such an action or proceeding in Toronto, Ontario, and to cooperate and use its Commercially Reasonable Efforts to bring the action or proceeding before the Ontario Superior Court of Justice (Commercial List), (iii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts, and (iv) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

**1.6 Severability**

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in a manner materially adverse to a party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

**1.7 Knowledge**

(a) References in this Agreement to the knowledge of AirBoss means the actual knowledge of any one or more of the following: Gren Schoch, Chris Bitsakakis, Michael Moscato and Lisa Swartzman, in each case, without any requirement to make any inquiries of responsible officers and employees of AirBoss, AEP or IRT, third parties or any Governmental Body or to perform any search of any public registry office or system.

(b) References in this Agreement to the knowledge of CSH means the actual knowledge of any one or more of the following: Patrick Callahan and Heather Miller, in each case, without any requirement to make any inquiries of responsible officers and employees of CSH, CSA or CSI, third parties or any Governmental Body or to perform any search of any public registry office or system.

**1.8 Disclosure Letter and Exhibits**

(a) The Exhibits attached to this Agreement and the Disclosure Letters form an integral part of this Agreement. The following Exhibits are attached to this Agreement and the AirBoss Disclosure Letter (“**ADL**”):

Exhibit A ADL	-	Steps Memo for Reorganization and Financing
Exhibit B	-	Form of Management Services Agreement
Exhibit C ADL	-	Management Equity and Employment Term Sheet
Exhibit D	-	[intentionally deleted]
Exhibit E	-	USLP Limited Partnership Agreement
Exhibit F	-	USLP Securityholders Agreement
Exhibit G	-	AEP Amalco Securityholders Agreement
Exhibit 7.12(a)(a) ADL		HL Financing Structure
Exhibit 7.12(a)(b) ADL		VTB Notes Term Sheet

(b) The purpose of the Disclosure Letters is to set out the qualifications, exceptions and other information called for in this Agreement. The Parties acknowledge and agree that the Disclosure Letters and the information and disclosures contained in them do not constitute or imply, and will not be construed as:

- (i) any representation, warranty, covenant or agreement which is not expressly set out in this Agreement;
- (ii) an admission of any liability or obligation of Sellers or any of them;
- (iii) an admission that the information is material;
- (iv) a standard of materiality, a standard for what is or is not in the ordinary course of business, or any other standard contrary to the standards contained in this Agreement; or
- (v) an expansion of the scope of effect of any of the representations, warranties and covenants set out in this Agreement.

(c) Disclosure of any information in the Disclosure Letters that is not strictly required under this Agreement has been made for informational purposes only and does not imply disclosure of all matters of a similar nature. The inclusion of an item in any section of a Disclosure Letter is deemed to be disclosure for all purposes for which disclosure is required under any Section of this Agreement to the extent the relevance of such disclosure to such other Section of this Agreement is reasonably apparent on the face of the disclosure.

(d) All information disclosed on the Disclosure Letters is subject to Section 7.3 hereunder.

## **ARTICLE 2** **PURCHASE AND SALE**

### **2.1 Purchase and Sale**

Subject to the terms and conditions of this Agreement, commencing at the Time of Closing, the following steps will occur at five minute intervals (each a “**Designated Time Point**”):

- (a) AirBoss shall sell, assign and transfer to Canco and Canco shall purchase from AirBoss all, but not less than all, of the AEP Shares free and clear of all Encumbrances;
- (b) AirBoss shall contribute, assign and transfer to USLP and USLP shall acquire from AirBoss all, but not less than all, of the convertible preferred shares of Canco and the IRT Membership Interests free and clear of all Encumbrances;
- (c) CSH shall contribute, assign and transfer to USLP and USLP shall acquire from CSH all, but not less than all, of the CSA Shares and the CSH Note free and clear of all Encumbrances (immediately prior to such contribution, CSH shall contribute to the capital of CSA any principal and interest owing under the CSH Note in excess of \$10,000,000 principal);
- (d) USLP shall contribute, assign and transfer all, but not less than all, of the IRT Membership Interests to CSA free and clear from all Encumbrances and CSA shall contribute, assign and transfer all, but not less than all, of the IRT Membership Interests to CSI free and clear from all Encumbrances; and
- (e) CSH shall convert its convertible preferred shares of Canco into AEP Amalco Shares and contribute, assign and transfer all, but not less than all, of the AEP Amalco Shares to Newco free and clear from all Encumbrances.

## **2.2 Purchase Price**

- (a) The consideration payable by Canco to AirBoss for the AEP Shares (the “**AEP Purchase Price**”) shall be equal to:
  - (i) an amount in cash equal to \$50,000,000 or such lesser amount of cash as is available to be funded in this regard from the proceeds of the third party credit facility to be entered into in connection with the Closing as contemplated by Section 7.13;
  - (ii) in the event less than \$50,000,000 in cash is paid to AirBoss pursuant to clause (i) above, a note, substantially on the terms set forth in the term sheet attached hereto as Exhibit 7.12(a)(b), and otherwise in a form reasonably acceptable to each Seller, in a principal amount equal to \$50,000,000, minus the amount of cash paid to AirBoss pursuant to clause (i) above (the “**Canco VTB Note**”);
  - (iii) convertible preferred shares of Canco having a value of \$7,527,272.74; and
  - (iv) common shares of Canco having a value of \$9,200,000.
- (b) The consideration payable by USLP to AirBoss for the convertible preferred shares of Canco and the IRT Membership Interests (the “**IRT Purchase Price**”) shall be equal to:
  - (i) the AirBoss Note; and

(ii) common units of USLP having a value of \$30,800,000.

(c) The consideration payable by USLP to CSH for the CSA Shares and the CSH Note (the “**CSA Purchase Price**”) shall be equal to:

(i) convertible preferred shares of Canco having a value of \$7,527,272.74;  
and

(ii) common units of USLP having a value of \$25,200,000.

### **2.3 Payment of Purchase Price**

Each component of the Purchase Price shall be paid at the relevant Designated Time Point. Any cash component of the AEP Purchase Price shall be paid by wire transfer of immediately available funds to such account as AirBoss shall have indicated by direction in writing to Canco at least two Business Days prior to the Closing Date.

### **2.4 Covenant to Complete Reorganization and Financings**

Each Seller covenants and agrees to cause the Parties it controls to complete all steps of the Reorganization and Financings applicable to them as set out in this Agreement.

### **2.5 Withholding**

Notwithstanding any provision hereof to the contrary, the parties agree that each of CSH, AirBoss and the Purchasers shall be entitled to deduct and withhold from any amounts otherwise payable under the terms of this Agreement such amounts as it is required to deduct and withhold pursuant to any provision of Tax Law. To the extent that amounts are so withheld under any provision of this Agreement, such withheld amounts (i) shall be timely remitted to the applicable Governmental Body in accordance with applicable Law and (ii) shall be treated for all purposes of this Agreement as having been paid to the recipients in respect of which such deduction and withholding was made. Prior to making any such deduction or withholding, the withholding party shall inform the other party at least five (5) Business Days in advance of any such deduction or withholding and shall cooperate with such other party to take commercially reasonable steps to reduce or eliminate such deduction or withholding.

## **ARTICLE 3** **CLOSING**

### **3.1 Closing**

(a) Subject to the terms and conditions of this Agreement, at the Time of Closing, the Parties shall cause each of the following events applicable to such Party or any Person that such Party controls to occur and be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless otherwise stated, effective as at the relevant Designated Time Point:

(i) the borrowing of up to \$50,000,000 by Canco pursuant to the third party credit facility to be entered into in connection with the Closing as contemplated by Section 7.12;

- (ii) the transfer of the AEP Shares from AirBoss to Canco and the payment of the AEP Purchase Price (including the issuance of the Canco VTB Note if applicable);
- (iii) the transfer of the convertible preferred shares of Canco and the IRT Membership Interests from AirBoss to USLP and the payment of the IRT Purchase Price;
- (iv) the transfer of the CSA Shares and the CSH Note from CSH to USLP and the payment of the CSA Purchase Price;
- (v) the conversion by CSH of its Canco preferred shares into Class B common shares representing 45% of the common share equity of Canco;
- (vi) the transfer of the IRT Membership Interests from USLP to CSA;
- (vii) the transfer of the IRT Membership Interests from CSA to CSI;
- (viii) the amalgamation of AEP and Canco to form AEP Amalco;
- (ix) the transfer of the AEP Amalco Shares from CSH to Newco;
- (x) the borrowing of up to \$10,000,000 by CSI pursuant to the third party credit facility to be entered into in connection with the Closing as contemplated by Section 7.13 and the subsequent distribution of such proceeds to CSA;
- (xi) the repayment of a portion of the CSH Note by CSA to USLP using the proceeds, if any, of the borrowing referred to in the clause above;
- (xii) the AirBoss Note shall be repaid by USLP to AirBoss using the proceeds of the CSH Note repayment referred to above, if any; provided that in the event less than \$10,000,000 in cash is paid to AirBoss in such regard, USLP shall transfer the remaining balance of the CSH Note to AirBoss provided that the CSH Note shall immediately be amended and restated (with CSA remaining as the obligor thereunder) on substantially the terms set forth in the term sheet attached hereto as Exhibit 7.12(a)(b), and otherwise in a form reasonably acceptable to each Seller, in a principal amount equal to \$10,000,000, minus the amount of cash paid to AirBoss in repayment of the AirBoss Note (as so amended, the “**US VTB Note**”), and in any such case the AirBoss Note shall be cancelled in full; and
- (xiii) the election for IRT to be treated as an entity disregarded as separate from CSI for U.S. federal income tax purposes, which election shall have an effective date on the day after the contribution of IRT to CSI.

(b) The Closing shall take place electronically. Unless otherwise agreed, all closing transactions shall be deemed to have occurred sequentially, at the applicable Designated Time Point.

### **3.2 Closing Deliveries by AirBoss**

At the Closing, AirBoss shall deliver or cause to be delivered to Canco, USLP and CSH, as applicable:

- (a) a duly executed certificate of the President, any Vice-President or any other authorized officer of AirBoss, dated the Closing Date, representing and certifying that the conditions set forth in Sections 3.9(a) and 3.9(b) have been fulfilled;
- (b) assignments or other instruments of transfer duly endorsed in blank, or accompanied by share transfer powers or other instruments of transfer duly executed in blank, and otherwise in form and substance satisfactory to Canco, acting reasonably, for transfer of the AEP Shares to Canco;
- (c) assignments or other instruments of transfer duly endorsed in blank, or accompanied by share transfer powers or other instruments of transfer duly executed in blank, and otherwise in form and substance satisfactory to USLP, acting reasonably, for transfer of the convertible preferred shares of Canco and the IRT Membership Interests to USLP;
- (d) a counterpart of each of the Ancillary Agreements to which AirBoss or its Affiliates is a party, executed by each of AirBoss and its Affiliates that is a party thereto;
- (e) a receipt for the AEP Purchase Price;
- (f) a receipt for the IRT Purchase Price;
- (g) a written resignation from each director of AEP and IRT that will not continue to serve as director after the Closing Date as agreed between AirBoss and CSH, such resignations to be effective at the Closing Date;
- (h) a certificate that meets the requirements of U.S. Treasury Regulation Section 1.1445-2(c)(3) in respect of IRT and a notice to the IRS in accordance with U.S. Treasury Regulation Section 1.897-2(h)(2) to USLP; and
- (i) all other documents required to be delivered by AirBoss to Canco, USLP and CSH pursuant to this Agreement or reasonably necessary to give effect to the transactions contemplated hereby.

### **3.3 Closing Deliveries by CSH**

At the Closing, CSH shall deliver or cause to be delivered to USLP, Newco and AirBoss, as applicable:

- (a) a duly executed certificate of the President, any Vice-President or any other authorized officer of CSH, dated the Closing Date, representing and certifying that the conditions set forth in Sections 3.8(a) and 3.8(b) have been fulfilled;
- (b) assignments or other instruments of transfer duly endorsed in blank, or accompanied by share transfer powers or other instruments of transfer duly

executed in blank, and otherwise in form and substance satisfactory to USLP, acting reasonably, for transfer of the CSA Shares and the CSH Note to USLP;

- (c) assignments or other instruments of transfer duly endorsed in blank, or accompanied by share transfer powers or other instruments of transfer duly executed in blank, and otherwise in form and substance satisfactory to Newco, acting reasonably, for transfer of the AEP Amalco Shares to Newco;
- (d) a counterpart of each of the Ancillary Agreements to which CSH or its Affiliates is a party, executed by each of CSH and its Affiliates that is a party thereto;
- (e) a receipt for the CSA Purchase Price;
- (f) a receipt for the Newco Contribution;
- (g) a certificate that meets the requirements of U.S. Treasury Regulation Section 1.1445-2(c)(3) in respect of CSA and a notice to the IRS in accordance with U.S. Treasury Regulation Section 1.897-2(h)(2) to USLP.
- (h) a written resignation from each director of CSA and CSI that will not continue to serve as director after the Closing Date as agreed between AirBoss and CSH, such resignations to be effective at the Closing Date; and
- (i) all other documents required to be delivered by CSH to USLP, Newco and AirBoss pursuant to this Agreement or reasonably necessary to give effect to the transactions contemplated hereby.

### **3.4 Closing Deliveries by Canco**

At the Closing, Canco shall deliver or cause to be delivered to Sellers, as applicable:

- (a) an executed certificate of the President, any Vice-President or other authorized officer of Canco, dated the Closing Date, representing and certifying that the conditions set forth in Sections 3.8(a), 3.8(b), 3.9(a) and 3.9(b) have been fulfilled;
- (b) a counterpart of each of the Ancillary Agreements to which Canco or its Affiliates is a party, executed by Canco and its Affiliates that is a party thereto;
- (c) the AEP Purchase Price;
- (d) a receipt for the AEP Shares;
- (e) the Management Services Agreement; and
- (f) all other documents required to be delivered by Canco to Sellers pursuant to this Agreement or reasonably necessary to give effect to the transactions contemplated hereby.

### **3.5 Closing Deliveries by USLP**

At the Closing, USLP shall deliver or cause to be delivered to Sellers and CSA, as applicable:

- (a) an executed certificate of the President, any Vice-President or other authorized officer of USLP, dated the Closing Date, representing and certifying that the conditions set forth in Sections 3.8(a), 3.8(b), 3.9(a) and 3.9(b) have been fulfilled;
- (b) assignments or other instruments of transfer duly endorsed in blank, or accompanied by share transfer powers or other instruments of transfer duly executed in blank, and otherwise in form and substance satisfactory to CSA, acting reasonably, for transfer of the IRT Membership Interests to CSA;
- (c) a counterpart of each of the Ancillary Agreements to which USLP or its Affiliates is a party, executed by USLP and its Affiliates that is a party thereto;
- (d) the IRT Purchase Price;
- (e) the CSA Purchase Price;
- (f) a receipt for the convertible preferred shares of Canco and the IRT Membership Interests;
- (g) a receipt for the CSA Shares and the CSH Note;
- (h) a receipt for the contribution of CSA by CSH to USLP; and
- (i) all other documents required to be delivered by USLP to Sellers and CSA pursuant to this Agreement or reasonably necessary to give effect to the transactions contemplated hereby.

### **3.6 Closing Deliveries by CSA**

At the Closing, CSA shall deliver or cause to be delivered to Sellers and USLP, as applicable:

- (a) an executed certificate of the President, any Vice-President or any other authorized officer of CSA, dated the Closing Date, representing and certifying that the conditions set forth in Sections 3.8(a), 3.8(b), 3.9(a) and 3.9(b) have been fulfilled;
- (b) a counterpart of each of the Ancillary Agreements to which CSA or its Affiliates is a party, executed by CSA and its Affiliates that is a party thereto;
- (c) a receipt for the IRT Membership Interests; and
- (d) all other documents required to be delivered by CSA to Sellers and USLP pursuant to this Agreement or reasonably necessary to give effect to the transactions contemplated hereby.

### **3.7 Closing Deliveries by Newco**

At the Closing, Newco shall deliver or cause to be delivered to Sellers, as applicable:

- (a) a certificate of the President, any Vice-President or any other authorized officer of Newco, dated the Closing Date, representing and certifying that the conditions set forth in Sections 3.9(a) and 3.9(b) have been fulfilled;
- (b) a counterpart of each of the Ancillary Agreements to which Newco or its Affiliates is a party, executed by Newco and its Affiliates that is a party thereto;
- (c) the Newco Contribution;
- (d) a receipt for the AEP Amalco Shares; and
- (e) all other documents required to be delivered by Newco to Sellers pursuant to this Agreement or reasonably necessary to give effect to the transactions contemplated hereby.

### **3.8 Conditions of Closing in Favour of AirBoss**

The obligations of AirBoss to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment as of the Closing Date of each of the following conditions, which are for the exclusive benefit of, and may be waived in writing by, AirBoss:

- (a) (i) all representations and warranties of Canco, USLP and CSH contained in this Agreement shall be deemed to have been made again at and as of the Closing Date, and shall then be true and correct (except to the extent such representations and warranties expressly relate to an earlier date, and in such case, shall be true and correct on and as of such earlier date) except for such failure of representations and warranties to be true and correct (without regard to any qualifications with respect to materiality or Material Adverse Effect contained therein) that would not be reasonably likely individually or in the aggregate to be materially adverse to AirBoss' interests hereunder; and
- (b) Canco, USLP and CSH shall have performed and complied in all material respects with all material covenants and agreements required by this Agreement to be performed or complied with by it on or prior to the Closing Date, and all deliveries contemplated by Section 3.3, 3.4 and 3.5, as applicable, shall have been made.
- (c) All Indebtedness of CSA and CSI shall have been repaid and CSA and CSI shall have obtained releases pursuant to UCC-3's, as applicable, or otherwise, of all liens (other than any Permitted Encumbrances of a type referred to in clauses (a)-(e) of the definition thereof) relating to the assets and properties of CSA or CSI.

### **3.9 Conditions of Closing in Favour of CSH**

The obligations of CSH to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment as of the Closing Date of each of the following conditions, which are for the exclusive benefit of, and may be waived in writing by, CSH:

- (a) (i) all representations and warranties of USLP, Newco and AirBoss contained in this Agreement shall be deemed to have been made again at and as of the Closing Date, and shall then be true and correct (except to the extent such representations and warranties expressly relate to an earlier date, and in such case, shall be true and correct on and as of such earlier date) except for such failure of representations and warranties to be true and correct (without regard to any qualifications with respect to materiality or Material Adverse Effect contained therein) that would not be reasonably likely individually or in the aggregate to be materially adverse to CSH's interests hereunder; and
- (b) USLP, Newco and AirBoss shall have performed and complied in all material respects with all material covenants and agreements required by this Agreement to be performed or complied with by it on or prior to the Closing Date, and all deliveries contemplated by Section 3.2, 3.5 and 3.7, as applicable, shall have been made.
- (c) All Indebtedness (including for the avoidance of doubt any Indebtedness owing to AirBoss Rubber Compounding (NC)) of AEP and IRT shall have been repaid and AEP and IRT shall have obtained releases pursuant to UCC-3's, as applicable, or otherwise, of all liens (other than any Permitted Encumbrances of a type referred to in clauses (a)-(e) of the definition thereof) relating to the assets and properties of AEP or IRT.
- (d) The Articles of Amalgamation of Canco shall have been filed in a form reasonably acceptable to CSH, and shall include substantially identical terms in respect of the Class A common shares and Class B common shares of Canco.

### **3.10 Mutual Conditions of Closing**

The obligations of Purchasers and Sellers to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment as of the Closing Date of each of the following conditions, which are for the benefit of Purchasers and Sellers:

- (a) no preliminary or permanent injunction or other Order issued by a Governmental Body, and no statute, rule, regulation, or executive order promulgated or enacted by a Governmental Body, which restrains, enjoins, prohibits, or otherwise makes illegal the consummation by Purchasers or Sellers of the transactions contemplated hereby, shall be in effect;
- (b) CFIUS Approval and ICA Approval shall have been obtained;
- (c) a period of 60 days shall have elapsed following the notification of the transactions to DDTC pursuant to Section 122.4(b) of the ITAR;

- (d) there shall have been obtained the Authorizations specified on Schedule 3.10(d) of the AirBoss Disclosure Letter; and
- (e) there shall have been obtained the Authorizations specified on Schedule 3.10(e) of the CSA Disclosure Letter.

### **3.11 Section 85 Election**

(a) AirBoss and Canco hereby agree to elect jointly under subsection 85(1) of the Tax Act (and the analogous provisions of any applicable provincial or territorial law), in the prescribed form and within the prescribed time for purposes of the Tax Act (and any such applicable provincial or territorial law), and shall therein agree with respect to the transfer of the AEP Shares by AirBoss to Canco that such amount as AirBoss shall determine within the limits provided by the Tax Act (the “**Elected Amount**”) shall be AirBoss’ proceeds of disposition and Canco’s cost of acquiring the AEP Shares, provided that in no event shall the Elected Amount be less than \$57,500,000. AirBoss and Canco hereby agree that AirBoss shall be responsible for preparing such election on the prescribed form, and providing it to Canco on a timely basis for Canco’s execution, and filing such election when and as required by the Tax Act and the regulations thereunder (and the analogous provisions of any applicable provincial or territorial law) so that the election will have full force and effect for the purposes of the Tax Act (and any applicable provincial or territorial law). Canco hereby agrees to provide to AirBoss any information about Canco reasonably requested by AirBoss to complete the election. AirBoss shall provide a copy of the filed election to Canco within ten business days of filing it with the relevant tax authorities.

(b) AirBoss and Canco agree that the amount added to the stated capital of the convertible preferred shares of Canco issued to AirBoss shall be \$7,527,272.74. No amount shall be added to the stated capital of the Class A common shares, except to the extent that the Elected Amount exceeds \$57,500,000.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF AIRBOSS**

AirBoss represents and warrants to Purchasers and CSH as follows and acknowledges that Canco is relying on such representations and warranties in connection with its purchase of the AEP Shares, USLP is relying on such representations and warranties in connection with its purchase of the convertible preferred shares of Canco and the IRT Membership Interests and CSH is relying on such representations and warranties in connection with the performance of its obligations herein:

### **4.1 Organization of AirBoss**

AirBoss is validly existing under the Laws of its jurisdiction of incorporation and has the corporate power to own or lease its property, to own the AEP Shares and IRT Membership Interests, to enter into this Agreement and to perform its obligations hereunder.

### **4.2 Authorization**

This Agreement and all of the other agreements and instruments contemplated hereby to which AirBoss is, or will be, a party has been (or will be, as the case may be) duly authorized, executed and delivered by AirBoss and is (or will be, as the case may be) a legal,

valid and binding obligation of AirBoss, enforceable against AirBoss by Purchasers and CSH in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other Laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction. No other act or proceeding on the part of AirBoss is necessary to authorize the execution, delivery or performance of this Agreement and all of the other agreements and instruments contemplated hereby to which AirBoss is a party and the consummation of the transactions contemplated hereby and thereby.

#### **4.3 AEP Shares and IRT Membership Interests**

(a) The authorized capital of AEP consists solely of an unlimited number of common shares, of which the only shares outstanding are the AEP Shares, all of which have been duly issued and are outstanding as fully paid and non-assessable. AirBoss is the registered and beneficial owner of record of, and has good and valid title to, all of the AEP Shares, free and clear of all Encumbrances. There are no options, warrants or other rights (including call, put, preemptive, subscription, exchange and/or conversion rights), convertible or exchangeable securities or other Contracts, agreements or commitments obligating AEP to issue, transfer or sell, or cause the issuance, transfer or sale of, any equity interests of AEP or to make any payments in respect of the value of any shares or other equity interests of AEP.

(b) The authorized capital of IRT consists solely of an unlimited number of membership interests, of which the only membership interests outstanding are the IRT Membership Interests, all of which have been duly issued and are outstanding as fully paid and non-assessable. AirBoss is the registered and beneficial owner of record of, and has good and valid title to, all of the IRT Membership Interests, free and clear of all Encumbrances. There are no options, warrants or other rights (including call, put, preemptive, subscription, exchange and/or conversion rights), convertible or exchangeable securities or other Contracts, agreements or commitments obligating IRT to issue, transfer or sell, or cause the issuance, transfer or sale of, any equity interests of IRT or to make any payments in respect of the value of any shares or other equity interests of IRT.

(c) The AEP Shares and the IRT Membership Interests are not subject to any voting trust, shareholder agreement or voting agreement. Upon completion of the transactions contemplated by this Agreement, 55% of the AEP Amalco Shares will be owned by AirBoss as the registered and beneficial owner of record, free and clear of all Encumbrances (except for such Encumbrances as may have been granted by AirBoss) and 45% of the AEP Amalco Shares will be owned by CSH as the registered and beneficial owner of record, free and clear of all Encumbrances (except for such Encumbrances as may have been granted by CSH). Upon completion of the transactions contemplated by this Agreement, all of the IRT Membership Interests will be owned by CSA as the registered and beneficial owner of record, free and clear of all Encumbrances (except for such Encumbrances as may have been granted by CSA).

#### **4.4 No Other Agreements to Purchase**

No Person other than Purchasers has any written or oral agreement or option or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase or acquisition from AirBoss of any of the AEP Shares or the IRT Membership Interests.

#### **4.5 No Violation by AirBoss**

None of the sale of the AEP Shares or the IRT Membership Interests, the execution and delivery by AirBoss of this Agreement or the agreements contemplated herein and the consummation of the transactions herein or therein provided for will result in the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of, any obligation of AirBoss under: (i) the organizational documents or by-laws or resolutions of the board of directors (or any committee thereof) or shareholders of AirBoss; (ii) any judgment, decree, order or award of any Governmental Body or arbitrator having jurisdiction over AirBoss; (iii) any material licence, Contract or Authorization held by AirBoss or by which it is bound; or (iv) any applicable Laws, except in each case as would not, individually or in the aggregate, prevent, impair or materially delay the Closing or impose material liability on Purchasers, CSH, AEP or IRT.

#### **4.6 Residency**

Each of AirBoss and AEP is not a non-resident of Canada for the purposes of the Tax Act.

#### **4.7 Organization of AEP and IRT**

Each of AEP and IRT is validly existing under the Laws of its jurisdiction of formation and has the corporate power to own or lease its property, and to carry on the AirBoss Business as now being conducted by it. Each of AEP and IRT is duly qualified as a corporation or limited liability company, as applicable, to do business in each jurisdiction in which the nature of the AirBoss Business or the property and assets owned or leased by it makes such qualification necessary.

#### **4.8 No Violation by AEP and IRT**

(a) Except as set forth in Schedule 4.8 of the AirBoss Disclosure Letter, the execution and delivery by AirBoss of this Agreement or the agreements contemplated herein and the consummation of the transactions herein or therein provided for will not result in the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of, any obligation of AEP or IRT under: (i) the organizational documents or by-laws or resolutions of the board of directors (or any committee thereof) or shareholders or members, as applicable, of AEP or IRT; (ii) any judgment, decree, order or award of any Governmental Body or arbitrator having jurisdiction over AEP or IRT; or (iii) any applicable Laws, except in each case as would not, individually or in the aggregate, prevent, impair or materially delay the Closing or impose material liability on Purchasers, CSH, AEP or IRT.

(b) Except as disclosed in Schedule 4.8 of the AirBoss Disclosure Letter, no consent, waiver, approval, Order, permit or authorization of, or declaration or filing with, or notification to, any Person or Governmental Body is required on the part of AirBoss, AEP or IRT in connection with (i) AirBoss' execution and delivery of this Agreement, the compliance by AirBoss with any of the provisions hereof, or the consummation of the transactions contemplated hereby, or (ii) the continuing validity and effectiveness immediately following the Closing of any Permit or Contract of AEP or IRT, except in each case as would not, individually or in the aggregate, prevent, impair or materially delay the Closing or impose material liability on Purchasers, CSH, AEP or IRT, except for (A) the filing of a joint voluntary notice with CFIUS and receipt of CFIUS Approval, (B) compliance with filings required pursuant to Sections 122.4(a)

and 122.4(b) of the ITAR and (C) the filing of a notification pursuant to Section 12 of the Investment Canada Act.

#### **4.9 No Options**

No Person (other than USLP and Canco hereunder) has any agreement or option or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants, phantom interests, or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of AEP or IRT.

#### **4.10 No Subsidiaries**

Neither AEP nor IRT owns or has any agreements of any nature to acquire, directly or indirectly, any shares in the capital of or other equity or proprietary interests in any Person and neither AEP nor IRT has any agreements to acquire or lease any other business operations.

#### **4.11 Business of AEP and IRT**

The only business operation carried on by AEP and IRT is the development, manufacture and sale of chemical, biological, radiological and nuclear protective equipment for military, first response and healthcare applications, as well as custom rubber compounding and supplying mixed rubber for use in various industries (the “**AirBoss Business**”). Since December 31, 2018, there has not been any significant interruption of operations (being an interruption of more than one day) of the AirBoss Business due to inadequate maintenance of any of the property and assets owned or used by AEP and IRT. With the exception of inventory in transit, and with the exception of certain equipment such as personal computers and vehicles that may be under the physical control of certain of AEP and IRT’s employees in the ordinary course of business, all the tangible assets of AEP and IRT are located at the locations set out in Schedule 4.13 of the AirBoss Disclosure Letter.

#### **4.12 Title to Personal and Other Property**

The material property and assets of AEP and IRT (other than the AirBoss Owned Real Property, the AirBoss Leased Real Property and the AirBoss Intellectual Property for which the sole representations are set out in Sections 4.14, 4.15 and 4.17) are owned beneficially by AEP or IRT, as applicable, as the beneficial owners thereof with good and marketable title thereto, free and clear of all Encumbrances other than Permitted Encumbrances. Immediately after the Closing, AEP and IRT will own good and valid title to or have the valid right to use all of the assets (including intangible assets, the AirBoss Intellectual Property and the AirBoss Computer Systems), free and clear of all Encumbrances, other than Permitted Encumbrances, used or held for use in the conduct of the AirBoss Business and to obtain all of the services (on the terms and subject to the conditions of the contracts governing the provision of such services) necessary to allow AEP and IRT immediately after the Closing to conduct the AirBoss Business (i) as reflected and disclosed in the AirBoss Financial Statements and (ii) in the same manner as conducted over the twelve (12) months preceding the Closing in all material respects.

**4.13**            **Location of AirBoss Owned Real Property and AirBoss Leased Real Property**

Schedule 4.13 of the AirBoss Disclosure Letter sets forth the municipal addresses of all the real property owned (the “**AirBoss Owned Real Property**”) or leased, subleased, licensed or otherwise used by either AEP or IRT (the “**AirBoss Leased Real Property**”) and, in the case of AirBoss Owned Real Property, all Indebtedness secured against it.

**4.14**            **AirBoss Owned Real Property**

AEP and IRT do not own and have not agreed to acquire any real property or freehold interest in real property other than the AirBoss Owned Real Property. AEP and IRT have good and marketable title in fee simple to all the AirBoss Owned Real Property, free and clear of all Encumbrances other than Permitted Encumbrances. All buildings, structures, improvements and appurtenances situated on the AirBoss Owned Real Property and the equipment of AEP and IRT thereon are in operating condition and are suitable for the purposes for which they are now being used and AEP and IRT have adequate rights of ingress and egress to the AirBoss Owned Real Property for the operation of the AirBoss Business in the ordinary course. Without limiting the generality of the foregoing:

- (a) the buildings, plants, structures and equipment owned by AEP and IRT (in combination with those leased by AEP and IRT) are sufficient for the continued conduct of the AirBoss Business after the Closing in the same manner as currently conducted;
- (b) the conduct of the AirBoss Business from the AirBoss Owned Real Property complies, in all material respects, with all Laws;
- (c) all accounts for work and services performed and materials placed or furnished upon or in respect of the AirBoss Owned Real Property or the AirBoss Leased Real Property at the request of AEP or IRT have been fully paid and satisfied and no Person is entitled to claim a lien under the *Construction Lien Act* (Ontario) or similar legislation of other relevant provinces against the AirBoss Owned Real Property or any part thereof, other than for current accounts in respect of which the payment due date has not yet passed;
- (d) no part of the AirBoss Owned Real Property has been taken or expropriated by any Governmental Body nor has AEP or IRT received written notice of any proceeding in respect thereof;
- (e) each of the AirBoss Owned Real Property (including all buildings, improvements and fixtures) is sufficient for the continued conduct of the AirBoss Business thereon after the Closing in the same manner as currently conducted. Except as disclosed in Schedule 4.13 of the AirBoss Disclosure Letter, none of the AirBoss Owned Real Property is currently undergoing any alteration or renovation nor is any such alteration or renovation currently contemplated; and
- (f) each of the AirBoss Owned Real Property is serviced by public utilities necessary for occupation of such properties and has access to public roads, and there are no outstanding levies, charges or fees assessed against the AirBoss Owned

Real Property by any public authority (including development or improvement levies, charges or fees) other than as reflected on the property tax bills for such properties.

#### **4.15 AirBoss Leased Real Property**

AEP and IRT are not parties to any lease or agreement in the nature of a lease in respect of any real property, whether as lessor or lessee, other than the leases (the "AirBoss Leases") described in Schedule 4.13 of the AirBoss Disclosure Letter relating to the AirBoss Leased Real Property. Schedule 4.13 of the AirBoss Disclosure Letter sets out the parties to each of the AirBoss Leases, their dates of execution and, the locations of the leased lands. Except as set out in Schedule 4.13 of the AirBoss Disclosure Letter, neither AEP nor IRT has subleased or licensed the AirBoss Leased Real Property to any third party. Each of the AirBoss Leases is in good standing and in full force and effect without amendment thereto (except as described in Schedule 4.13 of the AirBoss Disclosure Letter), and none of AEP, IRT or, to AirBoss' knowledge, any other party thereto is in breach of any material covenants, conditions or obligations contained therein. AirBoss has provided a true copy of each AirBoss Lease to Purchasers and CSH. All buildings, structures, improvements and appurtenances forming part of the AirBoss Leased Real Property are in operating condition and are suitable for the purposes for which they are currently being used, and AirBoss has adequate rights of ingress and egress for the operation of the AirBoss Business in the ordinary course. Without limiting the generality of the foregoing:

- (a) the conduct of the AirBoss Business from the AirBoss Leased Real Properties complies, in all material respects, with all Laws; and
- (b) all accounts for work and services performed and materials placed or furnished upon or in respect of the AirBoss Leased Real Property at the request of AEP and IRT have been fully paid and satisfied, and no Person is entitled to claim a lien under the *Construction Lien Act* (Ontario) or similar legislation in other provinces of Canada against the AirBoss Leased Real Property or any part thereof, other than current accounts in respect of which the payment due date has not yet passed.

#### **4.16 Inventories**

The inventories of AEP and IRT do not include any material items that are obsolete, below standard quality or of a quality or quantity not useable or saleable in the ordinary course of business, except for items that are not material in the aggregate or items the value of which has been written down to net realizable value on AEP and IRT's books of account on a basis consistent with prior periods.

#### **4.17 AirBoss Intellectual Property**

(a) Schedule 4.17(a) of the AirBoss Disclosure Letter sets out (i) all registered or pending AirBoss Intellectual Property (including particulars of such registrations or applications for registration), and all material unregistered Marks, in each case owned by AEP or IRT and (ii) all licenses, registered user agreements and other Contracts to which AEP or IRT is a party in respect of AirBoss Intellectual Property or any third-party Intellectual Property Rights (other than COTS Licenses) (collectively, the "**AirBoss IP Licenses**").

(b) AEP and IRT are the exclusive owners free and clear of all Encumbrances other than Permitted Encumbrances of the AirBoss Intellectual Property, including as disclosed in Schedule 4.17 of the AirBoss Disclosure Letter. The AirBoss Intellectual Property are valid, subsisting and enforceable and have not been misused.

(c) All AirBoss IP Licenses are in full force and effect and no material default exists on the part of AEP or IRT or, to the knowledge of AirBoss, on the part of any of the parties thereto. Except as set out in Schedule 4.17(c) of the AirBoss Disclosure Letter, neither AEP nor IRT is limited or impaired in its ability to sell, transfer, assign or convey the AirBoss Intellectual Property (including as described in Schedule 4.17 of the AirBoss Disclosure Letter) or the AirBoss IP Licenses. Neither AEP nor IRT has granted to any Person any interest in or right to use all or any portion of such AirBoss Intellectual Property.

(d) To the knowledge of AirBoss, the conduct of the AirBoss Business does not infringe upon or otherwise violate the Intellectual Property Rights, domestic or foreign, of any other Person, and neither AEP nor IRT has infringed or otherwise violated the Intellectual Property Rights of any other Person. AirBoss does not have any knowledge of any claim of infringement, other violation or breach by AEP or IRT of any Intellectual Property Rights of any other Person, or any claims of any other Person challenging the ownership, validity or enforceability of any AirBoss Intellectual Property. To the knowledge of AirBoss, no other Person has infringed or otherwise violated any of the AirBoss Intellectual Property.

(e) Except as set forth on Schedule 4.17 (e), the computer systems, Software, hardware, platforms, networks, interfaces and related systems that are owned, leased or licensed by either AEP or IRT for the conduct of the AirBoss Business (collectively, the “**AirBoss Computer Systems**”) are sufficient for the needs of the AirBoss Business as presently conducted and presently proposed to be conducted. In the past eighteen (18) months, there have been no outages, failures, or other adverse events of any such AirBoss Computer Systems that resulted in the material disruption or interruption in or to the use of such AirBoss Computer Systems by either AEP or IRT. Each of AEP or IRT has taken all actions necessary or reasonably desirable, to protect the confidentiality, integrity and security of the AirBoss Computer Systems, and all personal information under the control of either AEP or IRT or in their possession, against any unauthorized use, access, or interruption including implementing commercially reasonable security, disaster recovery and business continuity plans. There have not been any actual or alleged incidents of data security breaches, or unauthorized access or use of any of the AirBoss Computer Systems, or unauthorized acquisition, damage, disclosure, or use of any data stored therein, or complaints, notices to, or audits, proceedings or investigations conducted or claims asserted by any Person against either AEP or IRT regarding (x) any actual or alleged security breach or other unauthorized use of or access to the AirBoss Computer Systems or (y) the collection or use of personal information by any Person in connection with the AirBoss Business.

#### **4.18            Insurance**

Schedule 4.18 of the AirBoss Disclosure Letter sets out all insurance policies maintained by or on behalf of AEP, IRT or AirBoss on, or covering, the property and assets or personnel of AEP and IRT as of the date hereof. AEP and IRT are not in material default with respect to any of the provisions contained in any such insurance policy and have not failed to give any notice or present any material claim under any such insurance policy in a due and timely fashion, except where any delay in payment does not give the insurer under such policies the right to terminate such policies. Except as disclosed in Schedule 4.18 of the AirBoss

Disclosure Letter, in the 24 months preceding the date of this Agreement, no individual claim in excess of \$500,000 has been made or, to the knowledge of AirBoss, is contemplated under such insurance policies.

#### **4.19 No Expropriation**

No property or asset of either AEP or IRT has been taken or expropriated by any Governmental Body, nor has AirBoss, AEP or IRT received any written notice in respect thereof.

#### **4.20 Agreements and Commitments**

(a) Except as described on Schedule 4.20 of the AirBoss Disclosure Letter, neither AEP nor IRT is party to or bound by any of the following Contracts (collectively, the “**AirBoss Material Contracts**”):

- (i) any collective bargaining agreement or other Contract with any labour union or other labour organization;
- (ii) any settlement, conciliation or similar Contract with any Governmental Body or pursuant to which AEP or IRT will have any material outstanding obligations after the date hereof;
- (iii) any purchase order or Contract for the supply of materials, supplies, equipment or services involving more than \$500,000 in respect of any one such Contract or any particular supplier;
- (iv) any continuing Contract that involves the sale or delivery of materials, supplies, equipment or services by AEP or IRT at a price that could reasonably be regarded as below the prevailing market rate or at a price that could reasonably be expected to result in a loss to AEP or IRT;
- (v) (A) any trust indenture, hypothec, mortgage, promissory note representing a principal amount of Indebtedness in excess of \$500,000, (B) any other Contract relating to Indebtedness in excess of \$500,000, or (C) any Contract for a leasing transaction of the type required to be capitalized in accordance with IFRS;
- (vi) any Contract for capital expenditures in excess of \$500,000 in the aggregate;
- (vii) any Contract, whether by merger, sale of stock, sale of assets or otherwise, for the acquisition of any Person or any business division thereof during the past two years, in each case, involving payments in excess of \$500,000, other than Contracts in which the applicable acquisition or disposition has been consummated and there are no material obligations ongoing;
- (viii) any AirBoss IP Licenses, including development agreements, coexistence agreements, royalty agreements and agreements containing covenants not to sue;

- (ix) any Contract pursuant to which AEP or IRT is a lessor of any machinery, equipment, motor vehicles, office furniture, fixtures or other tangible personal property, in excess of \$100,000 in respect of any such Contract;
- (x) any Contract that involves, or that AEP or IRT reasonably anticipates will involve, annual payments or consideration furnished to AEP or IRT of more than \$500,000, which are not cancelable (without penalty, cost or other liability) by giving notice of 90 days or less;
- (xi) any joint venture agreement, partnership agreement or limited liability company agreement (or similar Contract) with a third party (in each case, other than with respect to Subsidiaries of AirBoss);
- (xii) any Contract containing covenants expressly limiting in any material respect the freedom of AEP or IRT to (i) compete with any Person in a product line or line of business, (ii) operate in any geographic areas or (iii) solicit the services of employment, of any other Person;
- (xiii) any Government Contract valued in excess of \$250,000;
- (xiv) any Contract which contains (i) a "most favored nation" provision or (ii) minimum volume or purchase requirements; or
- (xv) any Contract with AirBoss or any Subsidiary of AirBoss.

(b) Neither AEP nor IRT, or to AirBoss' knowledge, any other party thereto, is in material default or material breach of any AirBoss Material Contract to which it is a party, there exists no state of facts which after notice or lapse of time or both would constitute such a material default or breach, and all AirBoss Material Contracts are now in good standing in all material respects and in full force and effect without amendment and AEP or IRT, as applicable, is entitled to all benefits thereunder. CSH has been provided with a true and correct copy of each Material Contract.

(c) Within the last three (3) years, to the knowledge of AirBoss, neither AEP nor IRT has (a) breached or violated any Law, clause or other material requirement pertaining to any Government Contract; (b) been excluded from bidding by a Governmental Body; (c) been audited or investigated by any Governmental Body with respect to any Government Contract; or (d) conducted or initiated any internal investigation or made any disclosure with regard to any irregularity in connection with a Government Contract.

#### **4.21 Compliance with Laws; Authorizations**

Each of AEP and IRT has materially complied with all Laws and Data Security Requirements applicable to them and the AirBoss Business. No event has occurred and no circumstance exists that may constitute or result in (with or without notice or lapse of time) a violation of or a failure to comply in any material respect with any Laws or Data Security Requirements applicable to the AirBoss Business, AEP or IRT, and none of AirBoss, AEP or IRT has received any written notice from any Governmental Body regarding any actual, alleged, possible or potential violation of, or failure to comply, in any material respect, with any such Laws or Data Security Requirements. AEP and IRT hold all material Authorizations necessary to carry on the AirBoss Business in compliance in all material respects with all Laws. Each

material Authorization is valid, subsisting and in good standing and neither AEP nor IRT is in default or breach of any material Authorization. Each of AEP and IRT has materially complied with respect to all reporting and remittance obligations for any escheat or unclaimed property obligations and has no liability for any material amount in respect of any escheat or unclaimed property obligations.

#### **4.22 Trade Controls and Anti-Corruption**

(a) None of AEP, IRT or any of their respective officers, managers, employees, agents or third-party representatives is currently or has in the last five (5) years been: (i) a Sanctioned Person; (ii) operating in, organized in, conducting business with, or otherwise engaging in dealings with or for the benefit of any Sanctioned Person or in any Sanctioned Country; or (iii) otherwise in violation of any Sanctions and Export Control Laws or U.S. antiboycott requirements (“**Trade Controls**”). No AEP or IRT product requires a license from any Governmental Body for sale or export to any jurisdiction or end-user that is not otherwise subject to Sanctions and Export Control Laws.

(b) In the last five (5) years, none of AEP, IRT or any of their respective officers, managers, employees, agents or third-party representatives (i) has made, authorized, solicited or received any bribe, unlawful rebate, payoff, influence payment, or kickback, (ii) has established or maintained, or is maintaining, any unlawful fund of corporate monies or properties, (iii) has used or is using any corporate funds for any illegal contributions, gifts, entertainment, hospitality, travel, or other unlawful expenses, (iv) has violated or is violating in any respect Anti-Corruption Laws, or (v) has, directly or indirectly, made, offered, authorized, facilitated, or promised any payment, contribution, gift, entertainment, bribe, rebate, kickback, financial or other advantage, or anything else of value, regardless of form or amount, to any Governmental Official or any other Person, in each case of (i) - (v), in connection with or relating to the business of AEP or IRT.

(c) None of AEP, IRT or any of their respective officers, managers, employees, agents or third-party representatives is or has been the subject of any investigation, inquiry or enforcement proceedings by any Governmental Body regarding any offense or alleged offense under Trade Controls or Anti-Corruption Laws (including by virtue of having made any disclosure relating to any offense or alleged offense), and no such investigation, inquiry or proceedings have been threatened or are pending and there are no circumstances likely to give rise to any such investigation, inquiry or proceedings.

#### **4.23 AirBoss Financial Statements; Absence of Liabilities**

(a) The AirBoss Financial Statements are set forth on Schedule 4.23. The AirBoss Financial Statements have been prepared in accordance with IFRS, subject to the absence of notes, applied on a basis consistent with prior periods, are complete and accurate in all material respects and present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of AEP and IRT as at their respective dates and the sales, earnings and results of operations of AEP and IRT for the respective periods covered by them. The AirBoss Financial Statements value inventories and receivables consistent with the past practices of AEP and IRT. Neither AEP nor IRT has liabilities, liquidated or contingent, of a nature required by IFRS to be reflected or reserved against on the consolidated balance sheet of AEP or IRT that are not reflected or reserved against in the AirBoss Financial Statements, other than liabilities incurred in the ordinary course of business consistent with past practice since December 31, 2018.

(b) The AirBoss Financial Statements shall include an adequate accrual for any Pre-Closing Taxes (i.e., in accordance with IFRS).

(c) The Net AirBoss Working Capital as of immediately prior to the Closing is materially consistent with the average Net AirBoss Working Capital for the trailing twelve months prior to the Closing Date.

(d) AEP and IRT have no Indebtedness as of immediately prior to the Closing.

#### **4.24 Books and Records**

The books and records of AEP and IRT, in all material respects, fairly and correctly set out and disclose in accordance with IFRS the financial position of AEP and IRT as at the date hereof and all financial transactions of AEP and IRT have been accurately recorded in such books and records.

#### **4.25 Absence of Changes**

Except as disclosed in Schedule 4.25 of the AirBoss Disclosure Letter, from December 31, 2018 to the date hereof:

- (a) each of AEP and IRT has carried on the AirBoss Business and conducted its operations and affairs in all material respects in the ordinary course consistent with past practice (including with respect to Net AirBoss Working Capital);
- (b) there has not been any event, change, development, occurrence or effect that has had an AirBoss Material Adverse Effect; and
- (c) no action has been taken with respect to AEP or IRT that, if taken after the date hereof and prior to Closing, would constitute a violation of Section 7.4.

#### **4.26 Taxes**

Except as disclosed in Schedule 4.26 of the AirBoss Disclosure Letter:

- (a) Each of AEP and IRT has duly filed on a timely basis (including applicable extensions described in Section 4.26(b)), with the appropriate Governmental Body all income tax and other material Tax Returns required to be filed by it on or before the date hereof. All such Tax Returns are true, complete and accurate in all material respects. Each of AEP and IRT has paid all income and other material Taxes which are due and payable whether or not shown on such Tax Returns. No jurisdiction or authority in or with which AEP or IRT does not file an income or other material Tax Return has alleged that AEP or IRT is required to file such a Tax Return.
- (b) The Canadian federal, provincial, state, local and territorial income tax liability of AEP has been assessed by the appropriate Tax authorities for all financial years up to and including the financial year ended December 31, 2017. There are no agreements, waivers or other arrangements providing for an extension of time for AEP or IRT to file any Tax Return or pay any Taxes or for any Governmental Body to examine any Tax Return or levy any assessment. Neither AEP nor IRT

has granted to any Person any power of attorney that is currently in force with respect to any Tax matter.

- (c) Each of AEP and IRT has withheld from each payment made, or deemed to have been made, to any Person all material Taxes and other deductions required to be withheld therefrom and has paid the same to the proper Tax or other receiving authorities within the time required under any applicable Laws.
- (d) Each of AEP and IRT has collected all material amounts required to be collected by it on account of Taxes. Each of AEP and IRT has remitted to the appropriate Tax authority when required by Law to do so all such amounts collected by it.
- (e) There are no actions, suits, proceedings, investigations or claims pending or, threatened in writing against AEP or IRT in respect of Taxes, governmental charges or assessments.
- (f) All amounts payable by AEP in respect of compensation, including but not limited to salary, wages or other remuneration (other than reasonable vacation or holiday pay), have been paid within 180 days of the end of the taxation year in which the expense was incurred.
- (g) No amount in respect of any outlay or expense that is deductible for the purpose of computing the income of AEP for purposes of the Tax Act will, as of the Closing Date, have been owing by AEP for longer than two taxation years to a Person with whom AEP was not dealing at arm's length (as that term is understood for purposes of the Tax Act) at the time the outlay or expense was incurred.
- (h) Neither AEP nor IRT has engaged in any "listed transaction" within the meaning of Sections 6111 and 6112 of the Code or any similar provisions of U.S. state or local or non-U.S. Law.
- (i) Neither AEP nor IRT has distributed stock of another Person, or has had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Sections 355 or 361 of the Code.
- (j) Neither AEP nor IRT will be required to include any material item of income in, or exclude any material item of deduction from, taxable income, or pay any material additional amounts of Tax, for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (1) change in (or use of an improper) method of accounting for a taxable period ending on or before the Closing Date; (2) "closing agreement" as described in Section 7121 of the Code or other agreement with a Governmental Entity (or any similar provision of any Law) executed on or before the Closing Date; (3) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any similar provision of any Law); (4) installment sale or open transaction disposition made on or before the Closing Date; (5) prepaid amount or deferred revenue received on or before the Closing Date or (6) election under Section 108(i) or Section 965(h) of the Code (or any similar provisions of U.S. state or local or non-U.S. Law).

- (k) Neither AEP nor IRT are, and, during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code, have not been, a U.S. real property holding company, within the meaning of Section 897(c)(2) of the Code.
- (l) No facts, circumstances or events exist or have existed that have resulted or may result in the application to AEP of any debt forgiveness, debt parking or property seizure provisions under any applicable Tax Law.
- (m) AEP has not made an election for deferral of Taxes in circumstances where the amount elected as the transferor's proceeds of disposition and the acquiror's cost of disposition for purposes of federal Tax is different from the amount elected for purposes of provincial or territorial Tax.
- (n) Neither AEP nor IRT has had a permanent establishment in any country other than the country under the Laws of which it is organized.
- (o) Neither AEP nor IRT is party to any Tax sharing, allocation or similar agreement or arrangement (other than agreements entered into in the ordinary course of business and agreements where Tax sharing or allocation is incidental to the main purpose of the agreement, such as partnership agreements, limited liability company agreements and similar agreements) pursuant to which it will have any obligations to make any payment on or after the Closing Date.
- (p) AEP has not made an "excessive eligible dividend designation" as defined in the Tax Act.
- (q) Neither AEP nor IRT (i) has been a member of any affiliated, consolidated, combined or unitary group of corporations for any Tax purposes (other than, in the case of IRT, a group the common parent of which is AirBoss Holdings Inc.), or (ii) has any liability for the Taxes of any Person under Treasury Regulations Section 1.1502-6 (or any similar provision of any U.S. state or local or non-U.S. Tax law), as a transferee or successor or otherwise, by contract, other than any commercial contract entered into in the ordinary course of business the primary purpose of which is not Tax.
- (r) No share of Canco or of AEP Amalco will, as of the Closing Date or at any prior time, derive more than 50% of its fair market value directly or indirectly from one or any combination of (i) real or immovable property situated in Canada, (ii) Canadian resource properties (as defined in the Tax Act), (iii) timber resource properties (as defined in the Tax), and (iv) options in respect of, or interests in, or for civil law, a right in, property described in any of (i) to (iii) above, whether or not the property exists

#### **4.27 Litigation**

Except as described in Schedule 4.27 of the AirBoss Disclosure Letter, in the past three years there have not been any material actions, suits (whether or not purportedly on behalf of AEP or IRT), appeals, claims, applications, orders, investigations, proceedings, charges, audits, mediations, grievances, arbitrations or alternative dispute resolution processes in progress or pending or, to the knowledge of AirBoss, threatened by, against or affecting either AEP or IRT, their property or assets or the AirBoss Business, before any Governmental Body,

arbitrator, arbitration board or mediator, including but not limited to in relation to the AirBoss Employees.

#### **4.28 GST Registration**

AEP is a registrant for the purposes of subdivision d of Division V of Part IX of the ETA whose registration number is 14107 8782 RT 0001 and whose registration number for Québec sales tax is 10185 65320 TQ 0001. Following the amalgamation of AEP and Canco, AEP Amalco shall retain the registration number of AEP and shall provide notice in writing of same to the Canada Revenue Agency and to Revenue Québec.

#### **4.29 Environmental**

(a) Except as described in Schedule 4.29(a)(a) of the AirBoss Disclosure Letter and except as would not be material:

- (i) AEP, IRT and the AirBoss Business have been and are in compliance with all applicable Laws relating to natural resources, the environment or Hazardous Substances (“**Environmental Laws**”);
- (ii) AEP and IRT have all Authorizations required under Environmental Laws (the “**Environmental Permits**”) to conduct the AirBoss Business. Each Environmental Permit is valid, and AEP and IRT are not in default or breach of any Environmental Permit;
- (iii) there are no actions, suits, claims, orders, investigations or proceedings in progress or pending or, to the knowledge of AirBoss, threatened by, against or affecting either AEP or IRT, their property or assets or the AirBoss Business with respect to (and neither AEP or IRT has otherwise received any notice of) any actual or alleged violation of or liability under Environmental Laws; and
- (iv) there has been no release or disposal of, no contamination by, and no exposure of any Person to any Hazardous Substance so as to give rise to any liability under Environmental Laws for AEP, IRT or the AirBoss Business.

(b) AirBoss has delivered to Purchasers and CSH all material environmental reports, audits, evaluations, assessments, studies or tests relating to AEP, IRT, the AirBoss Business, the AirBoss Owned Real Property and the AirBoss Leased Real Property that are, or with reasonable efforts could be brought under, the possession or control of AirBoss.

The representations and warranties under this Section 4.29 are the only representations and warranties of AirBoss, AEP and IRT with respect to environmental matters and Environmental Laws.

#### **4.30 AirBoss Employee Plans**

(a) Schedule 4.30 of the AirBoss Disclosure Letter identifies each material AirBoss Employee Plan and specifies if any AirBoss Employee Plans would, if such exclusion had not been included in the definition of Employee Plan, be Multi-Employer Plans. Complete copies of

all material AirBoss Employee Plans and material documents relating to the material AirBoss Employee Plans have been made available to Purchasers and CSH together with the applicable financial statements, actuarial valuations, annual information returns and reports filed with any regulatory agency or other Governmental Body and any administration contracts.

(b) No step has been taken and no event has occurred that has resulted in or could be reasonably expected to result in any AirBoss Employee Plan being ordered or required to be terminated or wound up in whole or in part or having its registration under applicable Laws refused or revoked.

(c) No AirBoss Pension Plan is, and neither AEP nor IRT has any current or contingent liability with respect to, a "defined benefit plan" (as such term is defined in Section 3(35) of ERISA, whether or not subject to ERISA) or any other plan that is or was subject to Section 412 of the Code or Title IV of ERISA or contains a "defined benefit provision", as such term is defined under the Tax Act.

(d) There are no claims (other than routine claims for payment of benefits in the ordinary course) or proceedings pending or to the knowledge of AirBoss threatened in respect of any of the AirBoss Employee Plans or their assets which would result in a material liability to AEP or IRT.

(e) All of the AirBoss Employee Plans are and have been established, registered and administered, in all material respects in accordance with their terms, all applicable Laws and the terms of the agreements, written or oral, between AEP, IRT and their respective employees. Each AirBoss Employee Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination or opinion letter from the Internal Revenue Service, and nothing has occurred that could reasonably be expected to adversely affect such plan's qualified status. No AirBoss Employee Plan has a deficit, or AirBoss has made full and adequate disclosure of and provision for such amounts in the books and records.

(f) Other than as disclosed in Schedule 4.30(f) of the AirBoss Disclosure Letter, none of the AirBoss Employee Plans provides health or life insurance benefits beyond retirement or other termination of service to AirBoss Employees or former employees or other service providers.

(g) Neither AEP nor IRT has incurred (whether or not assessed) any material penalty or other liability that may be imposed under Sections 4980B, 4980D, 4980H, 6721 or 6722 of the Code. None of the AirBoss Employee Plans is, and neither AEP nor IRT has any current or contingent liability with respect to, a Multi-Employer Plan. Neither AEP nor IRT has any current or contingent liability by reason of at any time being treated as a single employer with any other Person under Section 414 of the Code.

(h) All contributions, premiums and other payments required to be paid with respect to each AirBoss Employee Plan have been timely made, and all contributions required to have been made by or on account of AEP or IRT with respect to an AirBoss Statutory Plan have been timely made.

(i) No AirBoss Employee Plan provides, directly or indirectly, for the payment or funding of any benefits, the increase of any benefits, or the acceleration of the payment or vesting or funding of any benefits as a result of the execution of this Agreement or the

consummation of the transactions contemplated herein (either alone or in combination with any other event).

(j) No arrangement or AirBoss Employee Plan provides, directly or indirectly, for payment or funding of any amount or benefit, the increase of any amount or benefit or the acceleration of the payment or vesting or funding of any amount or benefit by reason of the execution of this Agreement or the consummation of the transactions contemplated by this Agreement, either alone or in combination with another event.

(k) Neither the execution of this Agreement or the consummation of the transactions contemplated hereby (either alone or in combination with another event) any payment, amount, or benefit or provision of any payment, amount or benefit (including property or the accelerating of vesting) that would constitute separately or in the aggregate, "excess parachute payment" (within the meaning of Section 280G of the Code) becoming due. AirBoss has no obligation to gross-up or reimburse any individual for any Taxes under Section 4999 or 409A of the Code.

(l) Each AirBoss Employee Plan that constitutes in any part a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code has been operated and maintained in material operational and documentary compliance with Section 409A of the Code and applicable guidance thereunder.

#### **4.31 Customers and Suppliers**

Schedule 4.31 of the AirBoss Disclosure Letter sets out the top ten customers and top ten suppliers of each of AEP, IRT and the AirBoss Business for the period from January 1, 2018 to December 31, 2018. There has been no termination or cancellation of the business relationship of AEP, IRT or the AirBoss Business with any such customer or supplier. None of AEP, IRT or AirBoss has received any written, or to the knowledge of AirBoss, oral notice from any such customer or supplier that such customer or supplier will change, adjust, alter or modify its relationship with AEP, IRT and/or AirBoss (including notice or intent not to renew an existing arrangement) in any manner adverse to AEP, IRT and/or AirBoss.

#### **4.32 AirBoss Employment Agreements, Collective Agreements and Labour Relations**

Other than as set out in Schedule 4.32 of the AirBoss Disclosure Letter, neither AEP nor IRT is a party to or bound by any Contract (including any collective bargaining agreement) or bargaining relationship with any labour union, other labour organization or employee association or made commitments to or conducted negotiations with any labour union, other labour organization or employee association with respect to any future agreements. To the knowledge of AirBoss, within the past three years there have been no labour organizational activities with respect to employees of AEP or IRT. Within the past three years, there have been no pending or, to the knowledge of AirBoss, threatened strikes, lockouts, walkouts, picketing or other material labour disputes against or affecting AEP or IRT.

#### **4.33 AirBoss Employees and Employment Legislation**

(a) Schedule 4.33(a)(a) of the AirBoss Disclosure Letter contains a complete and accurate list of all the AirBoss Employees on a no-names basis, specifying the length of hire, job title, type of employment or engagement (i.e., full-time, part-time, independent contractor, etc.),

overtime exempt or non-exempt classification, and rate of salary or hourly pay and commission or bonus entitlements (if any) for each such AirBoss Employee.

(b) Each of AEP and IRT is and has been in material compliance with all applicable employment and labour Laws, including such applicable Laws relating to wages and hours, discrimination, harassment, equal pay, paid time off, employee leave, workers' compensation, occupational health and safety, equal opportunity, labor relations, collective bargaining, immigration, employee layoffs, and the payment of social security and other employment-related Taxes. Except as could not result in material Losses for AEP or IRT, each of AEP and IRT has fully and timely paid all wages, salaries, wage premiums, commissions, bonuses, expense reimbursements, severance and other compensation that has come due and payable to its current and former employees and other service providers under applicable Law, Contract, or company policy.

#### **4.34 Affiliates**

Except as set forth on Schedule 4.34, none of AirBoss or its Affiliates, is a party to any agreement, Contract, commitment or transaction with or has any interest in any assets or property used by AEP and/or IRT. Schedule 4.34 contains a description of all services provided between AirBoss on the one hand and AEP and/or IRT on the other hand, and the costs associated therewith.

#### **4.35 Brokers**

Except for Houlihan Lokey, no broker, agent or other intermediary is entitled to any fee, commission or other remuneration in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of AirBoss, AEP or IRT. AirBoss shall pay all fees and expenses of Houlihan Lokey incurred in respect of the transactions contemplated by this Agreement.

### **ARTICLE 5** **REPRESENTATIONS AND WARRANTIES OF CSH**

CSH represents and warrants to Purchasers and AirBoss as follows and acknowledges that USLP is relying on such representations and warranties in connection with its purchase of the CSA Shares and Newco is relying on such representations and warranties in connection with its purchase of the AEP Amalco Shares and AirBoss is relying on such representations and warranties in connection with the performance of its obligations herein:

#### **5.1 Organization of CSH**

CSH is validly existing under the Laws of its jurisdiction of incorporation and has the corporate power to own or lease its property, to own the CSA Shares, to enter into this Agreement and to perform its obligations hereunder.

#### **5.2 Authorization**

This Agreement and all of the other agreements and instruments contemplated hereby to which CSH is, or will be, a party has been (or will be, as the case may be) duly authorized, executed and delivered by CSH and is (or will be, as the case may be) a legal, valid and binding obligation of CSH, enforceable against CSH by Purchasers and AirBoss in

accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other Laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction. No other act or proceeding on the part of CSH is necessary to authorize the execution, delivery or performance of this Agreement and all of the other agreements and instruments contemplated hereby to which CSH is a party and the consummation of the transactions contemplated hereby and thereby.

### **5.3 CSA Shares**

(a) The authorized capital of CSA consists solely of 100 shares of common stock, of which the only shares outstanding are the CSA Shares, all of which have been duly issued and are outstanding as fully paid and non-assessable. CSH is the registered and beneficial owner of record of, and has good and valid title to, all of the CSA Shares, free and clear of all Encumbrances. There are no options, warrants or other rights (including call, put, preemptive, subscription, exchange and/or conversion rights), convertible or exchangeable securities or other Contracts, agreements or commitments obligating CSA to issue, transfer or sell, or cause the issuance, transfer or sale of, any equity interests of CSA or to make any payments in respect of the value of any shares or other equity interests of CSA.

(b) The CSA Shares are not subject to any voting trust, shareholder agreement or voting agreement. Upon completion of the transactions contemplated by this Agreement, all of the CSA Shares will be owned by USLP as the registered and beneficial owner of record, free and clear of all Encumbrances (except for such Encumbrances as may have been granted by USLP).

### **5.4 No Other Agreements to Purchase**

No Person other than USLP has any written or oral agreement or option or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase or acquisition from CSH of any of the CSA Shares.

### **5.5 No Violation by CSH**

None of the sale of the CSA Shares, the execution and delivery by CSH of this Agreement or the agreements contemplated herein and the consummation of the transactions herein or therein provided for will result in the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of, any obligation of CSH under: (i) the organizational documents or by-laws or resolutions of the board of directors (or any committee thereof) or shareholders of CSH; (ii) any judgment, decree, order or award of any Governmental Body or arbitrator having jurisdiction over CSH; (iii) any material licence, Contract or Authorization held by CSH or by which it is bound; or (iv) any applicable Laws, except in each case as would not, individually or in the aggregate, prevent, impair or materially delay the Closing or impose material liability on Purchasers, AirBoss or CSA.

### **5.6 Organization of CSA and CSI**

CSA is validly existing under the Laws of its jurisdiction of formation and has the corporate power to own or lease its property, and to carry on the CSI Business as now being conducted by it. CSA is duly qualified as a corporation to do business in each jurisdiction in which the nature of the CSI Business or the property and assets owned or leased by it makes such qualification necessary.

CSI is validly existing under the Laws of its jurisdiction of formation and has the corporate power to own or lease its property, and to carry on the CSI Business as now being conducted by it. CSI is duly qualified as a corporation to do business in each jurisdiction in which the nature of the CSI Business or the property and assets owned or leased by it makes such qualification necessary.

#### **5.7 No Violation by CSA or CSI**

(a) Except as set forth in Schedule 5.7 of the CSA Disclosure Letter, the execution and delivery by CSH of this Agreement or the agreements contemplated herein and the consummation of the transactions herein or therein provided for will not result in the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of, any obligation of CSA or CSI under: (i) the organizational documents or by-laws or resolutions of the board of directors (or any committee thereof) or shareholders or members, as applicable, of CSA or CSI; (ii) any judgment, decree, order or award of any Governmental Body or arbitrator having jurisdiction over CSA or CSI; or (iii) any applicable Laws, except in each case as would not, individually or in the aggregate, prevent, impair or materially delay the Closing or impose material liability on Purchasers, AirBoss, CSA or CSI.

(b) Except as disclosed in Schedule 5.7 of the CSA Disclosure Letter, no consent, waiver, approval, Order, permit or authorization of, or declaration or filing with, or notification to, any Person or Governmental Body is required on the part of CSA or CSI in connection with (i) CSH's execution and delivery of this Agreement, the compliance by CSH with any of the provisions hereof, or the consummation of the transactions contemplated hereby, or (ii) the continuing validity and effectiveness immediately following the Closing of any Permit or Contract of CSA or CSI, except as would not, individually or in the aggregate, prevent, impair or materially delay the Closing or impose material liability on Purchasers, AirBoss, CSA or CSI, except for (A) the filing of a joint voluntary notice with CFIUS and receipt of CFIUS Approval, (B) compliance with filings required pursuant to Sections 122.4(a) and 122.4(b) of the ITAR and (C) the filing of a notification pursuant to Section 12 of the Investment Canada Act..

#### **5.8 No Options**

No Person (other than USLP hereunder) has any agreement or option or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants, phantom interests or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of CSA or CSI.

#### **5.9 No Subsidiaries**

Neither CSA nor CSI owns or has any agreements of any nature to acquire, directly or indirectly, any shares in the capital of or other equity or proprietary interests in any Person nor does CSA or CSI have any agreements to acquire or lease any other business operations (other than, in each case, CSA with respect to CSI).

#### **5.10 Business of CSA and CSI**

The only business operation carried on by CSA (through CSI) and CSI is the supply of landmine and improvised explosive device detection vehicles, systems and support services to U.S. and foreign military forces (the "**CSI Business**"). Since December 31, 2018,

there has not been any significant interruption of operations (being an interruption of more than one day) of the CSI Business due to inadequate maintenance of any of the property and assets owned or used by CSI. With the exception of inventory in transit, and with the exception of certain equipment such as personal computers and vehicles that may be under the physical control of certain of CSA's or CSI's employees in the ordinary course of business, all the tangible assets of CSA and CSI are located at the locations set out in Schedule 5.12 of the CSA Disclosure Letter.

#### **5.11 Title to Personal and Other Property**

The material property and assets of CSA and CSI (other than the CSI Owned Real Property, the CSI Leased Real Property and the CSI Intellectual Property for which the sole representations are set out in Sections 5.13, 5.14 and 5.16) are owned beneficially by CSA or CSI (as applicable) as the beneficial owner thereof with good and marketable title thereto, free and clear of all Encumbrances other than Permitted Encumbrances. Immediately after the Closing, CSA or CSI (as applicable) will own good and valid title to or have the valid right to use all of the assets (including intangible assets, the CSI Intellectual Property and the CSA Computer Systems), free and clear of all Encumbrances, other than Permitted Encumbrances, used or held for use in the conduct of the CSI Business and to obtain all of the services (on the terms and subject to the conditions of the contracts governing the provision of such services) necessary to allow CSA and CSI immediately after the Closing to conduct the CSI Business (i) as reflected and disclosed in the CSI Financial Statements and (ii) in the same manner as conducted over the twelve (12) months preceding the Closing in all material respects.

#### **5.12 Location of CSI Owned Real Property and CSI Leased Real Property**

Schedule 5.12 of the CSA Disclosure Letter sets forth the municipal addresses of all the real property owned (the "**CSI Owned Real Property**") or leased, subleased, licensed or otherwise used by CSA or CSI (the "**CSI Leased Real Property**") and, in the case of CSI Owned Real Property, all Indebtedness secured against it.

#### **5.13 CSI Owned Real Property**

Neither CSA nor CSI owns and neither has agreed to acquire any real property or freehold interest in real property other than the CSI Owned Real Property. CSA and CSI (as applicable) have good and marketable title in fee simple to all the CSI Owned Real Property, free and clear of all Encumbrances other than Permitted Encumbrances. All buildings, structures, improvements and appurtenances situated on the CSI Owned Real Property and the equipment of CSA and CSI thereon are in operating condition and are suitable for the purposes for which they are now being used and CSA and CSI has adequate rights of ingress and egress to the CSI Owned Real Property for the operation of the CSI Business in the ordinary course. Without limiting the generality of the foregoing:

- (a) the buildings, plants, structures and equipment owned by CSA or CSI (in combination with those leased by CSA or CSI) are sufficient for the continued conduct of the CSI Business after the Closing in the same manner as currently conducted;
- (b) the conduct of the CSI Business from the CSI Owned Real Property complies, in all material respects, with all Laws;

- (c) all accounts for work and services performed and materials placed or furnished upon or in respect of the CSI Owned Real Property or the CSI Leased Real Property at the request of CSA or CSI have been fully paid and satisfied and no Person is entitled to claim a lien under the *Construction Lien Act* (Ontario) or similar legislation of other relevant provinces against the CSI Owned Real Property or any part thereof, other than for current accounts in respect of which the payment due date has not yet passed;
- (d) no part of the CSI Owned Real Property has been taken or expropriated by any Governmental Body nor has CSA or CSI received written notice of any proceeding in respect thereof;
- (e) each of the CSI Owned Real Property (including all buildings, improvements and fixtures) is sufficient for the continued conduct of the CSI Business thereon after the Closing in the same manner as currently conducted. Except as disclosed in Schedule 5.12 of the CSA Disclosure Letter, none of the CSI Owned Real Property is currently undergoing any alteration or renovation nor is any such alteration or renovation currently contemplated; and
- (f) each of the CSI Owned Real Property is serviced by public utilities necessary for occupation of such properties and has access to public roads, and there are no outstanding levies, charges or fees assessed against the CSI Owned Real Property by any public authority (including development or improvement levies, charges or fees) other than as reflected on the property tax bills for such properties.

#### **5.14 CSI Leased Real Property**

Neither CSA nor CSI is party to any lease or agreement in the nature of a lease in respect of any real property, whether as lessor or lessee, other than the leases (the “**CSI Leases**”) described in Schedule 5.12 of the CSA Disclosure Letter relating to the CSI Leased Real Property. Schedule 5.12 of the CSA Disclosure Letter sets out the parties to each of the CSI Leases, their dates of execution and the locations of the leased lands. Except as set out in Schedule 5.12 of the CSA Disclosure Letter, neither CSA nor CSI has subleased or licensed the CSI Leased Real Property to any third party. Each of the CSI Leases is in good standing and in full force and effect without amendment thereto (except as described in Schedule 5.12 of the CSA Disclosure Letter), and neither CSA nor CSI nor, to CSH’s knowledge, any other party thereto is in breach of any material covenants, conditions or obligations contained therein. CSH has provided a true copy of each CSI Lease to USLP and AirBoss. All buildings, structures, improvements and appurtenances forming part of the CSI Leased Real Property are in operating condition and are suitable for the purposes for which they are currently being used, and CSH has adequate rights of ingress and egress for the operation of the CSI Business in the ordinary course. Without limiting the generality of the foregoing:

- (a) the conduct of the CSI Business from the CSI Leased Real Properties complies, in all material respects, with all Laws; and
- (b) all accounts for work and services performed and materials placed or furnished upon or in respect of the CSI Leased Real Property at the request of CSA or CSI have been fully paid and satisfied, and no Person is entitled to claim a lien under the *Construction Lien Act* (Ontario) or similar legislation in other provinces of

Canada or in the United States against the CSI Leased Real Property or any part thereof, other than current accounts in respect of which the payment due date has not yet passed.

#### **5.15 Inventories**

The inventories of each of CSA and CSI do not include any material items that are obsolete, below standard quality or of a quality or quantity not useable or saleable in the ordinary course of business, except for items that are not material in the aggregate or items the value of which has been written down to net realizable value on CSA's or CSI's (as applicable) books of account on a basis consistent with prior periods.

#### **5.16 CSI Intellectual Property**

(a) Schedule 5.16(a)(a) of the CSA Disclosure Letter sets out (i) all registered or pending CSI Intellectual Property (including particulars of such registrations or applications for registration), and all material unregistered Marks, in each case owned by CSA or CSI and (ii) all licenses, registered user agreements and other Contracts to which CSA or CSI is a party in respect of CSI Intellectual Property or any third-party Intellectual Property Rights (other than COTS Licenses) (collectively, the "**CSA IP Licenses**").

(b) CSA or CSI is the exclusive owner free and clear of all Encumbrances other than Permitted Encumbrances of the CSI Intellectual Property, including as disclosed in Schedule 5.16 of the CSA Disclosure Letter. The CSI Intellectual Property are valid, subsisting and enforceable and have not been misused.

(c) All CSA IP Licenses are in full force and effect and no material default exists on the part of CSA or CSI or, to the knowledge of CSH on the part of any of the parties thereto. Except as set out in Schedule 5.16(a)(c) of the CSA Disclosure Letter, neither CSA nor CSI is limited or impaired in its ability to sell, transfer, assign or convey its CSI Intellectual Property (including as described in Schedule 5.16 of the CSA Disclosure Letter) or the CSA IP Licenses. Neither CSA nor CSI has granted to any Person any interest in or right to use all or any portion of such CSI Intellectual Property.

(d) To the knowledge of CSH, the conduct of the CSI Business does not infringe upon or otherwise violate the Intellectual Property Rights, domestic or foreign, of any other Person, and neither CSA nor CSI has infringed or otherwise violated the Intellectual Property Rights of any other Person. Neither CSA nor CSI has any knowledge of any claim of infringement, other violation or breach by CSA or CSI (as applicable) of any Intellectual Property Rights of any other Person, or any claims of any other Person challenging the ownership, validity or enforceability of any CSI Intellectual Property. To the knowledge of CSH, no other Person has infringed or otherwise violated any of the CSI Intellectual Property.

(e) Except as set forth on Schedule 5.16(a)(e), the computer systems, Software, hardware, platforms, networks, interfaces and related systems that are owned, leased or licensed by CSA or CSI for the conduct of the CSI Business (collectively, the "**CSA Computer Systems**") are sufficient for the needs of the CSI Business as presently conducted and presently proposed to be conducted. In the past eighteen (18) months, there have been no outages, failures, or other adverse events of any such CSA Computer Systems that resulted in the material disruption or interruption in or to the use of such CSA Computer Systems by CSA or CSI. Each of CSA and CSI has taken all actions necessary or reasonably desirable, to

protect the confidentiality, integrity and security of the CSA Computer Systems, and all personal information under the control of CSA or CSI (as applicable) or in their possession, against any unauthorized use, access, or interruption including implementing commercially reasonable security, disaster recovery and business continuity plans. There have not been any actual or alleged incidents of data security breaches, or unauthorized access or use of any of the CSA Computer Systems, or unauthorized acquisition, damage, disclosure, or use of any data stored therein, or complaints, notices to, or audits, proceedings or investigations conducted or claims asserted by any Person against CSA or CSI regarding (x) any actual or alleged security breach or other unauthorized use of or access to the CSA Computer Systems or (y) the collection or use of personal information by any Person in connection with the CSI Business.

#### **5.17            Insurance**

Schedule 5.17 of the CSA Disclosure Letter sets out all insurance policies maintained by or on behalf of CSA, CSI or CSH on, or covering, the property and assets or personnel of CSA or CSI as of the date hereof. Neither CSA nor CSI is in material default with respect to any of the provisions contained in any such insurance policy nor has failed to give any notice or present any material claim under any such insurance policy in a due and timely fashion, except where any delay in payment does not give the insurer under such policies the right to terminate such policies. Except as disclosed in Schedule 5.17 of the CSA Disclosure Letter, in the 24 months preceding the date of this Agreement, no individual claim in excess of \$500,000 has been made or, to the knowledge of CSH, is contemplated under such insurance policies.

#### **5.18            No Expropriation**

No property or asset of CSA or CSI has been taken or expropriated by any Governmental Body, nor has CSA or CSI received any written notice in respect thereof.

#### **5.19            Agreements and Commitments**

(a) Except as described on Schedule 5.19 of the CSA Disclosure Letter, neither CSA nor CSI is not party to or bound by any of the following Contracts (collectively, the “**CSI Material Contracts**”):

- (i) any collective bargaining agreement or other Contract with any labour union or other labour organization;
- (ii) any settlement, conciliation or similar Contract with any Governmental Body or pursuant to which CSA or CSI will have any material outstanding obligations after the date hereof;
- (iii) any purchase order or Contract for the supply of materials, supplies, equipment or services involving more than \$500,000 in respect of any one such Contract or any particular supplier;
- (iv) any continuing Contract that involves the sale or delivery of materials, supplies, equipment or services by CSA or CSI at a price that could reasonably be regarded as below the prevailing market rate or at a price that could reasonably be expected to result in a loss to CSA or CSI;

- (v) (A) any trust indenture, hypothec, mortgage, promissory note representing a principal amount of Indebtedness in excess of \$500,000, (B) any other Contract relating to Indebtedness in excess of \$500,000, or (C) any Contract for a leasing transaction of the type required to be capitalized in accordance with IFRS;
- (vi) any Contract for capital expenditures in excess of \$500,000 in the aggregate;
- (vii) any Contract, whether by merger, sale of stock, sale of assets or otherwise, for the acquisition of any Person or any business division thereof during the past two years, in each case, involving payments in excess of \$500,000, other than Contracts in which the applicable acquisition or disposition has been consummated and there are no material obligations ongoing;
- (viii) any CSA IP Licenses, including development agreements, coexistence agreements, royalty agreements and agreements containing covenants not to sue;
- (ix) any Contract pursuant to which CSA or CSI is a lessor of any machinery, equipment, motor vehicles, office furniture, fixtures or other tangible personal property, in excess of \$100,000 in respect of any such Contract;
- (x) any Contract that involves, or that CSA or CSI reasonably anticipates will involve, annual payments or consideration furnished to CSA or CSI of more than \$500,000, which are not cancelable (without penalty, cost or other liability) by giving notice of 90 days or less;
- (xi) any joint venture agreement, partnership agreement or limited liability company agreement (or similar Contract) with a third party;
- (xii) any Contract containing covenants expressly limiting in any material respect the freedom of CSA or CSI to (i) compete with any Person in a product line or line of business, (ii) operate in any geographic areas or (iii) solicit the services of employment, of any other Person;
- (xiii) any Government Contract valued in excess of \$250,000;
- (xiv) any Contract which contains (i) a "most favored nation" provision or (ii) minimum volume or purchase requirements; or
- (xv) any Contract with CSH or any Subsidiary of CSH.

(b) Neither CSA nor CSI is, and to CSH's knowledge no other party thereto is, in material default or material breach of any CSI Material Contract to which it is a party, there exists no state of facts which after notice or lapse of time or both would constitute such a material default or breach, and all CSI Material Contracts are now in good standing in all material respects and in full force and effect without amendment and CSA or CSI is entitled to all benefits thereunder. AirBoss has been provided with a true and correct copy of each CSI Material Contract.

(c) Within the last three (3) years, to the knowledge of CSH, neither CSA nor CSI has (a) breached or violated any Law, clause or other material requirement pertaining to any Government Contract; (b) been excluded from bidding by a Governmental Body; (c) been audited or investigated by any Governmental Body with respect to any Government Contract; or (d) conducted or initiated any internal investigation or made any disclosure with regard to any irregularity in connection with a Government Contract.

## **5.20 Compliance with Laws; Authorizations**

Each of CSA and CSI has materially complied with all Laws and Data Security Requirements applicable to it and the CSI Business. No event has occurred and no circumstance exists that may constitute or result in (with or without notice or lapse of time) a violation of or a failure to comply in any material respect with any Laws or Data Security Requirements applicable to the CSI Business, CSA or CSI, and neither CSA nor CSI has received any written notice from any Governmental Body regarding any actual, alleged, possible or potential violation of, or failure to comply, in any material respect, with any such Laws or Data Security Requirements. Each of CSA and CSI holds all material Authorizations necessary to carry on the CSI Business in compliance in all material respects with all Laws. Each material Authorization is valid, subsisting and in good standing and neither CSA nor CSI is in default or breach of any material Authorization. Each of CSA and CSI has materially complied with respect to all reporting and remittance obligations for any escheat or unclaimed property obligations and has no liability for any material amount in respect of any escheat or unclaimed property obligations.

## **5.21 Trade Controls and Anti-Corruption**

Except as set forth on Schedule 5.21:

(a) None of CSA, CSI or any of their respective officers, managers, employees, agents or third-party representatives is currently or has in the last five (5) years been: (i) a Sanctioned Person; (ii) operating in, organized in, conducting business with, or otherwise engaging in dealings with or for the benefit of any Sanctioned Person or in any Sanctioned Country; or (iii) otherwise in violation of any Trade Controls. No CSA or CSI product requires a license from any Governmental Body for sale or export to any jurisdiction or end-user that is not otherwise subject to Sanctions and Export Control Laws.

(b) In the last five (5) years, none of CSA, CSI or any of their respective officers, managers, employees, agents or third-party representatives (i) has made, authorized, solicited or received any bribe, unlawful rebate, payoff, influence payment, or kickback, (ii) has established or maintained, or is maintaining, any unlawful fund of corporate monies or properties, (iii) has used or is using any corporate funds for any illegal contributions, gifts, entertainment, hospitality, travel, or other unlawful expenses, (iv) has violated or is violating in any respect Anti-Corruption Laws, or (v) has, directly or indirectly, made, offered, authorized, facilitated, or promised any payment, contribution, gift, entertainment, bribe, rebate, kickback, financial or other advantage, or anything else of value, regardless of form or amount, to any Governmental Official or any other Person, in each case of (i) - (v), in connection with or relating to the CSI Business.

(c) None of CSA, CSI or any of their respective officers, managers, employees, agents or third-party representatives is or has been the subject of any investigation, inquiry or enforcement proceedings by any Governmental Body regarding any offense or alleged offense

under Trade Controls or Anti-Corruption Laws (including by virtue of having made any disclosure relating to any offense or alleged offense), and no such investigation, inquiry or proceedings have been threatened or are pending and there are no circumstances likely to give rise to any such investigation, inquiry or proceedings.

## **5.22 CSI Financial Statements; Absence of Liabilities**

(a) The CSI Financial Statements are set forth on Schedule 5.22. The CSI Financial Statements have been prepared in accordance with GAAP, subject to the absence of notes, applied on a basis consistent with prior periods, are complete and accurate in all material respects and present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of CSA and CSI as at their respective dates and the sales, earnings and results of operations of CSA and CSI for the respective periods covered by them. The CSI Financial Statements value inventories and receivables consistent with the past practices of CSA and CSI. Neither CSA nor CSI has any liabilities, liquidated or contingent, of a nature required by GAAP to be reflected or reserved against on the consolidated balance sheets of CSA or CSI that are not reflected or reserved against in the CSI Financial Statements, other than liabilities incurred in the ordinary course of business consistent with past practice since December 31, 2018.

(b) The CSI Financial Statements shall include an adequate accrual for any Pre-Closing Taxes (i.e., in accordance with GAAP).

(c) The Net CSA Working Capital as of immediately prior to the Closing is materially consistent with the average Net CSA Working Capital for the trailing twelve months prior to the Closing Date.

(d) Except for the CSH Note, neither CSA nor CSI has Indebtedness as of immediately prior to the Closing.

## **5.23 Books and Records**

The books and records of each of CSA and CSI, in all material respects, fairly and correctly set out and disclose in accordance with GAAP the financial position of CSA and CSI (as applicable) as at the date hereof and all financial transactions of CSA and CSI have been accurately recorded in such books and records (as applicable).

## **5.24 Absence of Changes**

Except as disclosed in Schedule 5.24 of the CSA Disclosure Letter, from December 31, 2018 to the date hereof:

- (a) Each of CSA and CSI has carried on the CSI Business and conducted its operations and affairs in all material respects in the ordinary course consistent with past practice (including with respect to Net CSA Working Capital);
- (b) there has not been any event, change, development, occurrence or effect that has had a CSI Material Adverse Effect; and
- (c) no action has been taken with respect to CSA or CSI that, if taken after the date hereof and prior to Closing, would constitute a violation of Section 7.5.

**5.25**      **Taxes**

Except as disclosed in Schedule 5.25 of the CSA Disclosure Letter:

- (a) Each of CSA and CSI has duly filed on a timely basis (including applicable extensions) with the appropriate Governmental Body all income tax and other material Tax Returns required to be filed by it on or before the date hereof. All such Tax Returns are true, complete and accurate in all material respects. Each of CSA and CSI has paid all income and other material Taxes which are due and payable whether or not shown on such Tax Returns. No jurisdiction or authority in or with which either of CSA and CSI does not file an income or other material Tax Return has alleged that CSA or CSI, as applicable, is required to file such a Tax Return.
- (b) There are no agreements, waivers or other arrangements providing for an extension of time for either of CSA or CSI to file any Tax Return or pay any Taxes or for any Governmental Body to examine any Tax Return or levy any assessment (other than extensions of time to file Tax Returns obtained in the ordinary course of business in connection of filing Tax Returns). Neither CSA nor CSI has granted to any Person any power of attorney that is currently in force with respect to any Tax matter.
- (c) Each of CSA and CSI has withheld from each payment made, or deemed to have been made, to any Person all material Taxes and other deductions required to be withheld therefrom and has paid the same to the proper Tax or other receiving authorities within the time required under any applicable Laws.
- (d) Each of CSA and CSI has collected all material amounts required to be collected by it on account of Taxes. Each of CSA and CSI has remitted to the appropriate Tax authority when required by Law to do so all such amounts collected by it.
- (e) There are no actions, suits, proceedings, investigations or claims pending or, threatened in writing against either of CSA or CSI in respect of Taxes, governmental charges or assessments.
- (f) Neither CSA nor CSI has engaged in any “listed transaction” within the meaning of Sections 6111 and 6112 of the Code or any similar provisions of U.S. state or local or non-U.S. Law.
- (g) Neither CSA nor CSI has distributed stock of another Person, or has had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Sections 355 or 361 of the Code.
- (h) Neither CSA nor CSI will be required to include any material item of income in, or exclude any material item of deduction from, taxable income, or pay any material additional amounts of Tax, for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (1) change in (or use of an improper) method of accounting for a taxable period ending on or before the Closing Date; (2) “closing agreement” as described in Section 7121 of the Code or other agreement with a Governmental Entity (or any similar provision of any Law) executed on or before the Closing Date; (3) intercompany transaction or excess

loss account described in Treasury Regulations under Section 1502 of the Code (or any similar provision of any Law); (4) installment sale or open transaction disposition made on or before the Closing Date; (5) prepaid amount or deferred revenue received on or before the Closing Date or (6) election under Section 108(i) or Section 965(h) of the Code (or any similar provisions of U.S. state or local or non-U.S. Law).

- (i) CSA is not, and, during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code, has not been, a U.S. real property holding company, within the meaning of Section 897(c)(2) of the Code.
- (j) Neither CSA nor CSI has had a permanent establishment in any country other than the country under the Laws of which it is organized.
- (k) Neither CSA nor CSI is party to any Tax sharing, allocation or similar agreement or arrangement (other than agreements entered into in the ordinary course of business and agreements where Tax sharing or allocation is incidental to the main purpose of the agreement, such as partnership agreements, limited liability company agreements, credit agreements and similar agreements) pursuant to which it will have any obligations to make any payment on or after the Closing Date.
- (l) Neither CSA nor CSI (i) has been a member of any affiliated, consolidated, combined or unitary group of corporations for any Tax purposes (other than a group the common parent of which is CSA), or (ii) has any liability for the Taxes of any Person under Treasury Regulations Section 1.1502-6 (or any similar provision of any U.S. state or local or non-U.S. Tax law), as a transferee or successor or otherwise, by contract, other than any commercial contract entered into in the ordinary course of business the primary purpose of which is not Tax.

## **5.26 Litigation**

Except as described in Schedule 5.26 of the CSA Disclosure Letter, in the past three years there have not been any material actions, suits (whether or not purportedly on behalf of CSA or CSI), appeals, claims, applications, orders, investigations, proceedings, charges, audits, mediations, grievances, arbitrations or alternative dispute resolution processes in progress or pending or, to the knowledge of CSH, threatened by, against or affecting CSA, CSI, or the property or assets or the CSI Business, before any Governmental Body, arbitrator, arbitration board or mediator including but not limited to in relation to the CSI Employees.

## **5.27 Environmental**

- (a) Except as described in Schedule 5.27(a)(a) of the CSA Disclosure Letter and except as would not be material:
  - (i) Each of CSA, CSI and the CSI Business have been and are in compliance with all Environmental Laws;
  - (ii) Each of CSA and CSI has all Environmental Permits to conduct the CSI Business. Each Environmental Permit is valid and neither CSA nor CSI is not in default or breach of any Environmental Permit;

- (iii) there are no actions, suits, claims, orders, investigations or proceedings in progress or pending with respect to any actual or alleged violation of or liability under Environmental Laws.
- (iv) there are no actions, suits, claims, orders, investigations or proceedings in progress or pending or, to the knowledge of CSH, threatened by, against or affecting CSA, CSI, the property or assets or the CSI Business with respect to (and neither CSA nor CSI has otherwise received any notice of) any actual or alleged violation of or liability under Environmental Laws; and
- (v) there has been no release or disposal of, no contamination by, and no exposure of any Person to any Hazardous Substance so as to give rise to any liability under Environmental Laws for CSA, CSI or the CSI Business.

(b) CSH has delivered to Purchasers and AirBoss all material environmental reports, audits, evaluations, assessments, studies or tests relating to CSA, CSI, the CSI Business, the CSI Owned Real Property and the CSI Leased Real Property that are, or with reasonable efforts could be brought under, the possession or control of CSH.

The representations and warranties under this Section 5.27 are the only representations and warranties of CSH with respect to environmental matters and Environmental Laws.

## **5.28 CSI Employee Plans**

(a) Schedule 5.28 of the CSA Disclosure Letter identifies each material CSI Employee Plan and specifies if any CSI Employee Plans would, if such exclusion had not been included in the definition of Employee Plan, be Multi-Employer Plans. Complete copies of all material CSI Employee Plans and material documents relating to the material CSI Employee Plans have been made available to AirBoss together with the applicable financial statements, actuarial valuations, annual information returns and reports filed with any regulatory agency or other Governmental Body and any administration contracts.

(b) No step has been taken and no event has occurred that has resulted in or could be reasonably expected to result in any CSI Employee Plan being ordered or required to be terminated or wound up in whole or in part or having its registration under applicable Laws refused or revoked.

(c) No CSA Pension Plan is, and neither CSA nor CSI has any current or contingent liability with respect to, a "defined benefit plan" (as such term is defined in Section 3(35) of ERISA, whether or not subject to ERISA) or any other plan that is or was subject to Section 412 of the Code or Title IV of ERISA, or contains a "defined benefit provision", as such term is defined under the Tax Act.

(d) There are no claims (other than routine claims for payment of benefits in the ordinary course) or proceedings pending or, to the knowledge of CSH, threatened in respect of any of the CSI Employee Plans or their assets which would result in a material liability to CSA or CSI.

(e) All of the CSI Employee Plans are and have been established, registered and administered, in all material respects in accordance with their terms, all applicable Laws and the

terms of the agreements, written or oral, between CSI, CSA and their respective employees. Each CSI Employee Plan that intended to be qualified under Section 401(a) of the Code has received a favorable determination or opinion letter from the Internal Revenue Service, and nothing has occurred that could reasonably be expected to adversely affect such plan's qualified status. No CSI Employee Plan has a deficit, or CSI has made full and adequate disclosure of and provision for such amounts in the books and records.

(f) Other than as disclosed on Schedule 5.28(f) of the CSA Disclosure Letter, none of the CSI Employee Plans provides health or life insurance benefits beyond retirement or other termination of service to CSI Employees or former employees, or other service providers.

(g) Neither CSI nor CSA has incurred (whether or not assessed) any material penalty or other liability that may be imposed under Sections 4980B, 4980D, 4980H, 6721 or 6722 of the Code. None of the CSI Employee Plans is, and neither CSA nor CSI has any current or contingent liability with respect to, a Multi-Employer Plan. Neither CSA nor CSI has any current or contingent liability by reason of at any time being treated as a single employer with any other Person under Section 414 of the Code.

(h) All contributions, premiums and other payments required to be paid with respect to each CSI Employee Plan have been timely made, and all contributions required to have been made by or on account of CSA or CSI with respect to a CSI Statutory Plan have been timely made.

(i) No CSI Employee Plan provides, directly or indirectly, for the payment or funding of any benefits, the increase of any benefits, or the acceleration of the payment or vesting or funding of any benefits as a result of the execution of this Agreement or the consummation of the transactions contemplated herein (either alone or in combination with any other event).

(j) No arrangement or CSI Employee Plan provides, directly or indirectly, for payment or funding of any amount or benefit, the increase of any amount or benefit or the acceleration of the payment or vesting or funding of any amount or benefit by reason of the execution of this Agreement or the consummation of the transactions contemplated by this Agreement, either alone or in combination with another event.

(k) Neither the execution of this Agreement or the consummation of the transactions contemplated hereby (either alone or in combination with another event) any payment, amount, or benefit or provision of any payment, amount or benefit (including property or the accelerating of vesting) that would constitute separately or in the aggregate, "excess parachute payment" (within the meaning of Section 280G of the Code) becoming due. Neither CSA nor CSI has any obligation to gross-up or reimburse any individual for any Taxes under Section 4999 or 409A of the Code.

(l) Each CSI Employee Plan that constitutes in any part a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code has been operated and maintained in material operational and documentary compliance with Section 409A of the Code and applicable guidance thereunder.

## **5.29 Customers and Suppliers**

Schedule 5.29 of the CSA Disclosure Letter sets out the top ten customers and top ten suppliers of each of CSA, CSI and the CSI Business for the period from January 1, 2018

to December 31, 2018. There has been no termination or cancellation of the business relationship of CSA, CSI or the CSI Business with any such customer or supplier. Neither CSA nor CSI has received any written, or to the knowledge of CSH, oral notice from any such customer or supplier that such customer or supplier will change, adjust, alter or modify its relationship with CSA or CSI (including notice or intent not to renew an existing arrangement) in any manner adverse to CSA or CSI.

### **5.30 CSI Employment Agreements, Collective Agreements and Labour Relations**

Other than as set out in Schedule 5.30 of the CSA Disclosure Letter, neither CSA nor CSI is a party to or bound by any Contract (including any collective bargaining agreement) or bargaining relationship with any labour union, other labour organization or employee association or made commitments to or conducted negotiations with any labour union, other labour organization or employee association with respect to any future agreements. To the knowledge of CSH, within the past three years there have been no labour organizational activities with respect to employees of CSA or CSI. Within the past three years, there have been no pending or, to the knowledge of CSH, threatened strikes, lockouts, walkouts, picketing or other material labour disputes against or affecting CSA or CSI.

### **5.31 CSI Employees and Employment Legislation**

(a) Schedule 5.31(a) of the CSA Disclosure Letter contains a complete and accurate list of all the CSI Employees on a no-names basis, specifying the length of hire, job title, type of employment or engagement (i.e., full-time, part-time, independent contractor, etc.), overtime exempt or non-exempt classification, and rate of salary or hourly pay and commission or bonus entitlements (if any) for each such CSI Employee.

(b) Each of CSA and CSI is and has been in material compliance with all applicable employment and labour Laws, including such applicable Laws relating to wages and hours, discrimination, harassment, equal pay, paid time off, employee leave, workers' compensation, occupational health and safety, equal opportunity, labor relations, collective bargaining, immigration, employee layoffs, and the payment of social security and other employment-related Taxes. Except as could not result in material Losses for CSA or CSI, each of CSA and CSI has fully and timely paid all wages, salaries, wage premiums, commissions, bonuses, expense reimbursements, severance and other compensation that has come due and payable to its current and former employees and other service providers under applicable Law, Contract, or company policy.

### **5.32 Affiliates**

Except as set forth on Schedule 5.32, none of CSH or its Affiliates (other than CSA or CSI), is a party to any agreement, Contract, commitment or transaction with or has any interest in any assets or property used by CSA and/or CSI. Schedule 5.32 contains a description of all services provided between CSH on the one hand and CSA and/or CSI on the other hand, and the costs associated therewith.

### **5.33 Brokers**

No broker, agent or other intermediary is entitled to any fee, commission or other remuneration in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of CSH, CSA or CSI.

## **ARTICLE 6**

### **REPRESENTATIONS AND WARRANTIES OF PURCHASERS**

Each Purchaser represents and warrants to Sellers and CSA as follows and acknowledges and confirms that AirBoss is relying on such representations and warranties in connection with the sale by AirBoss of the AEP Shares, the convertible preferred shares of Canco and the IRT Membership Interests, CSH is relying on such representations and warranties in connection with the sale by CSH of the CSA Shares, the CSH Note and the AEP Amalco Shares and USLP is relying on such representations and warranties in connection with the sale by USLP of the IRT Membership Interests, as applicable:

#### **6.1 Organization**

Each Purchaser is validly existing under the Laws of its jurisdiction of incorporation or formation. Each Purchaser has the corporate power to enter into this Agreement and each of the Ancillary Agreements to which it is a party and to perform its obligations hereunder and thereunder.

#### **6.2 Authorization**

This Agreement has been duly authorized, executed and delivered by each Purchaser and is a legal, valid and binding obligation of each Purchaser, enforceable against each Purchaser by Sellers in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other Laws affecting the enforcement of rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

#### **6.3 No Violation**

Neither the execution and delivery by any Purchaser of this Agreement and each of the Ancillary Agreements to which such Purchaser is a party nor the consummation of the transactions herein and therein provided for will result in the violation of, or constitute a default under, or conflict with or cause the acceleration of any obligation of such Purchaser under: (a) any Contract to which such Purchaser is a party or by which it is bound; (b) any provision of the constating documents or by-laws or resolutions of the board of directors (or any committee thereof) or shareholders of such Purchaser; (c) any judgment, decree, order or award of any Governmental Body or arbitrator having jurisdiction over such Purchaser; or (d) any applicable Law.

#### **6.4 Consents and Approvals**

There is no requirement for any Purchaser to make any filing with, give any notice to or obtain any Authorization of, any Governmental Body as a condition to the lawful consummation of the transactions contemplated by this Agreement, except for (A) the filing of a joint voluntary notice with CFIUS and receipt of CFIUS Approval, (B) compliance with filings required pursuant to Sections 122.4(a) and 122.4(b) of the ITAR and (C) the filing of a notification pursuant to Section 12 of the Investment Canada Act.

## **6.5 Litigation**

There are no actions, suits, appeals, claims, applications, orders, investigations, proceedings, grievances, arbitrations or alternative dispute resolution processes in progress, pending, or to any Purchaser's knowledge, threatened against such Purchaser that could prohibit, restrict or seek to enjoin the transactions contemplated by this Agreement.

## **6.6 Brokers**

No broker, agent or other intermediary is entitled to any fee, commission or other remuneration in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Canco.

## **6.7 Investment Canada**

Each Purchaser is a WTO investor within the meaning of the *Investment Canada Act*.

# **ARTICLE 7** **COVENANTS**

## **7.1 Access to AEP and IRT**

Subject to applicable Laws and existing confidentiality arrangements, AirBoss shall forthwith make available to Purchasers, CSH and their respective authorized representatives and, if reasonably requested by a Purchaser or CSH, provide a copy to Purchasers and CSH of, all title documents, Contracts, financial statements, organizational documents, minute books, share certificate books, share registers, policies, plans, reports, licences, orders, permits, books of account, accounting records, organizational documents and all other documents, information and data relating to AEP, IRT and the AirBoss Business. AirBoss shall cause AEP and IRT to afford Purchasers, CSH and their respective authorized representatives reasonable access to the AirBoss Business and the property, assets, undertaking, records and documents of AEP and IRT, with the exception of intrusive environmental testing for which AirBoss' consent is required. At a Purchaser's or CSH's request, AirBoss shall cause AEP and IRT to execute such consents, authorizations and directions as may be necessary to permit any reasonable inspection of the AirBoss Business or AEP's or IRT's property and assets or to enable Purchasers, CSH or their respective authorized representatives to obtain reasonable access to all files and records relating to the AirBoss Business or AEP's or IRT's property or assets maintained by a Governmental Body. At a Purchaser's or CSH's request, AirBoss shall co-operate with Purchasers and CSH in arranging any such meetings as a Purchaser or CSH may reasonably request during regular business hours with employees of AEP or IRT.

## **7.2 Access to CSA**

Subject to applicable Laws and existing confidentiality arrangements, CSH shall forthwith make available to USLP, AirBoss and their respective authorized representatives and, if reasonably requested by USLP or AirBoss, provide a copy to USLP and AirBoss of, all title documents, Contracts, financial statements, organizational documents, minute books, share certificate books, share registers, policies, plans, reports, licences, orders, permits, books of account, accounting records, organizational documents and all other documents, information

and data relating to CSA, CSI and the CSI Business. CSH shall cause CSA and CSI to afford USLP, AirBoss and their respective authorized representatives reasonable access to the CSI Business and the property, assets, undertaking, records and documents of CSA and CSI, with the exception of intrusive environmental testing for which CSH's consent is required. At USLP's or AirBoss' request, CSH shall cause CSA and CSI to execute such consents, authorizations and directions as may be necessary to permit any reasonable inspection of the CSI Business or CSA's or CSI's property and assets or to enable USLP, AirBoss or their respective authorized representatives to obtain reasonable access to all files and records relating to the CSI Business or CSA's or CSI's property or assets maintained by a Governmental Body. At USLP's or AirBoss' request, CSH shall co-operate with USLP and AirBoss in arranging any such meetings as USLP or AirBoss may reasonably request during regular business hours with employees of CSA and CSI.

### **7.3 Confidentiality**

Each Seller acknowledges that the Confidentiality Agreement continues to apply and that any information provided under Sections 7.1 and 7.2 and any information disclosed on the Disclosure Letters, shall constitute "Confidential Information" under the Confidentiality Agreement and be subject to the terms of the Confidentiality Agreement. If this Agreement is terminated in accordance with its terms, the obligations under the Confidentiality Agreement shall survive the termination of this Agreement pursuant to the terms therein.

### **7.4 Conduct of Business of AEP and IRT Prior to Closing**

Subject to applicable Law, during the period from the date hereof to the Time of Closing, AirBoss shall with respect to the AirBoss Business, and shall ensure that AEP and IRT:

- (a) use all Commercially Reasonable Efforts to preserve intact the AirBoss Business (including all relationships and goodwill with customers, suppliers, employees and other business relations) and the property and assets of AEP and IRT and carry on the AirBoss Business and the affairs of AEP and IRT in the ordinary course of business (including with respect to Net AirBoss Working Capital);
- (b) continue to maintain in full force and effect all policies of insurance or renewals thereof now in effect and give all notices and present all claims under all policies of insurance in a due and timely fashion;
- (c) pay and discharge the liabilities of AEP and IRT in the ordinary course in accordance and consistent with the previous practice of AEP and IRT, except those contested in good faith by AEP or IRT;
- (d) not enter into capital spending commitments in excess of \$500,000 in the aggregate absent Purchasers' and CSH's prior written consent;
- (e) not make any new Tax election or change or revoke any existing Tax election, settle or compromise any material Tax liability or refund, surrender any material claim for a refund or file any amended Tax Return or claim for refund which is or could reasonably be expected to be material;
- (f) not enter into any contract or agreement with any Person not dealing at arm's length with AEP and IRT within the meaning of the Tax Act;

- (g) not establish any new material Employee Benefit Plan, nor make any material amendments or commitments to improve or otherwise amend or terminate any AirBoss Employee Plan, except as required by applicable Laws to secure the continued registration of any existing AirBoss Employee Plan or in the ordinary course of business;
- (h) except to the extent required by applicable Law, shall not (A) increase the compensation or benefits of any current or former director, officer, employee or independent contractor of AEP or IRT, (B) accelerate the vesting of, or the lapsing of restrictions with respect to any compensation or benefit under any AirBoss Employee Plan or other Contract, (C) grant any severance, change in control or termination pay to any current or former director, officer, employee or independent contractor of AEP or IRT, or (D) grant or amend any award (including in respect of stock options, stock appreciation rights, performance units, restricted stock or other equity or equity-based awards);
- (i) not make any material change in any accounting (or Tax accounting) policies, practices or procedures;
- (j) not acquire by merger or consolidation with, or merge or consolidate with, or purchase all or substantially all of the assets or a substantial portion of the assets of, any Person;
- (k) not enter into, extend, modify or terminate any AirBoss Material Contract or any Contract with AirBoss or its subsidiaries;
- (l) not (i) create, incur or assume any indebtedness secured by the assets of the AEP or IRT, (ii) grant, create, incur or suffer to exist any Encumbrance on the assets that did not exist on the date hereof, (iii) write-down the value of any asset or investment on the books or records of AEP or IRT, except for depreciation and amortization in the ordinary course of business and consistent with past practice, (iv) cancel any debt or waive any claim or right, (v) issue, sell, pledge, transfer, dispose of any equity interests of AEP or IRT, or securities convertible into or exchangeable for any equity interests of AEP or IRT, or any rights, warrants, options, calls or commitments to acquire any such equity interests; (vi) issue or declare any non-cash dividends or distributions with respect thereto or (vii) split, combine, subdivide, reclassify or redeem, or purchase or otherwise acquire, any of the equity interests of AEP or IRT;
- (m) not sell, assign, transfer, license, abandon, let lapse or expire, or otherwise dispose of any AirBoss Intellectual Property, except in the ordinary course of business consistent with past practice;
- (n) not disclose any trade secrets or other confidential information of AEP or IRT, other than pursuant to a written confidentiality agreements entered into in the ordinary course of business with reasonable protections of such trade secrets and other confidential information;
- (o) not sell, assign, transfer, convey, lease, exclusively license, abandon, permit to lapse, otherwise dispose of, mortgage, pledge or subject to a Encumbrance, any material assets or material properties; and

- (p) not authorize, or commit or agree to take, any of the foregoing actions (other than those set forth in ((a), (b), and (c)).

Notwithstanding anything to the contrary set forth herein, AEP and IRT shall be entitled to, and intend to, distribute all cash and cash equivalents to AirBoss or its Subsidiaries prior to Closing, except for an adequate amount of cash and cash equivalents necessary to cover outstanding cheques determined, acting reasonably and in good faith, immediately prior to Closing.

## **7.5 Conduct of Business of CSI Prior to Closing**

Subject to applicable Law, during the period from the date hereof to the Time of Closing, CSH shall with respect to the CSI Business, and shall ensure that CSA and CSI:

- (a) use all Commercially Reasonable Efforts to preserve intact the CSI Business (including all relationships and goodwill with customers, suppliers, employees and other business relations) and the property and assets of CSA and CSI and carry on the CSI Business and the affairs of CSA and CSI in the ordinary course of business (including with respect to Net CSA Working Capital);
- (b) continue to maintain in full force and effect all policies of insurance or renewals thereof now in effect and give all notices and present all claims under all policies of insurance in a due and timely fashion;
- (c) pay and discharge the liabilities of CSA and CSI in the ordinary course in accordance and consistent with the previous practice of CSA and CSI (as applicable), except those contested in good faith by CSA or CSI (as applicable);
- (d) not enter into capital spending commitments in excess of \$500,000 in the aggregate absent USLP's and AirBoss's prior written consent;
- (e) not make any new Tax election or change or revoke any existing Tax election, settle or compromise any material Tax liability or refund, surrender any material claim for a refund or file any amended Tax Return or claim for refund which is or could reasonably be expected to be material;
- (f) not enter into any contract or agreement with any Person not dealing at arm's length with CSA or CSI within the meaning of the Tax Act;
- (g) not establish any new material Employee Benefit Plan nor make any material amendments or commitments to improve or otherwise amend or terminate any CSI Employee Plan, except as required by applicable Laws to secure the continued registration of any existing CSI Employee Plan or in the ordinary course of business;
- (h) except to the extent required by applicable Law, shall not (A) increase the compensation or benefits of any current or former director, officer, employee or independent contractor of CSA or CSI, (B) accelerate the vesting of, or the lapsing of restrictions with respect to any compensation or benefit under any CSI Employee Plan or other Contract, (C) grant any severance, change in control or termination pay to any current or former director, officer, employee or

independent contractor of CSA or CSI, or (D) grant or amend any award (including in respect of stock options, stock appreciation rights, performance units, restricted stock or other equity or equity-based awards);

- (i) not make any material change in any accounting (or Tax accounting) policies, practices or procedures;
- (j) not acquire by merger or consolidation with, or merge or consolidate with, or purchase all or substantially all of the assets or a substantial portion of the assets of, any Person;
- (k) not enter into, extend, modify or terminate any CSI Material Contract or any Contract with CSH or its subsidiaries;
- (l) not (i) create, incur or assume any indebtedness secured by the assets of CSA or CSI, (ii) grant, create, incur or suffer to exist any Encumbrance on the assets that did not exist on the date hereof, (iii) write-down the value of any asset or investment on the books or records of CSA or CSI, except for depreciation and amortization in the ordinary course of business and consistent with past practice, (iv) cancel any debt or waive any claim or right, (v) issue, sell, pledge, transfer, dispose of any equity interests of CSA or CSI, or securities convertible into or exchangeable for any equity interests of CSA or CSI, or any rights, warrants, options, calls or commitments to acquire any such equity interests; (vi) issue or declare any non-cash dividends or distributions with respect thereto; or (vii) split, combine, subdivide, reclassify or redeem, or purchase or otherwise acquire, any of the equity interests of CSA or CSI;
- (m) not sell, assign, transfer, license, abandon, let lapse or expire, or otherwise dispose of any CSI Intellectual Property, except in the ordinary course of business consistent with past practice;
- (n) not disclose any trade secrets or other confidential information of CSA or CSI, other than pursuant to a written confidentiality agreements entered into in the ordinary course of business with reasonable protections of such trade secrets and other confidential information;
- (o) not sell, assign, transfer, convey, lease, exclusively license, abandon, permit to lapse, otherwise dispose of, mortgage, pledge or subject to a Encumbrance, any material assets or material properties; and
- (p) not authorize, or commit or agree to take, any of the foregoing actions (other than those set forth in (7.4(a), 7.4(b), and 7.4(c)).

Notwithstanding anything to the contrary set forth herein, each of CSA and CSI shall be entitled to, and intends to, distribute all cash and cash equivalents to CSH prior to Closing, except for an adequate amount of cash and cash equivalents necessary to cover outstanding cheques determined, acting reasonably and in good faith, immediately prior to Closing.

## **7.6 Books and Records**

Each Purchaser covenants to use reasonable care to preserve the books and records of AEP, IRT, CSA and CSI delivered to it for a period of six years from the Time of Closing, or for such longer period as is required by any applicable Law, and will permit Sellers or their authorized representatives reasonable access thereto in connection with the affairs of Sellers.

## **7.7 Tax Returns of AEP**

(a) AEP Amalco shall prepare or cause to be prepared all Tax Returns required by Law in respect of AEP for all taxable periods ending on or before the Closing Date and not filed prior to the Closing Date and any Straddle Period in a manner consistent with past practice, where applicable, unless otherwise required by applicable Law and, prior to filing such returns with the relevant authorities, shall, to the extent any such Tax Return could affect the liability of AirBoss, provide a copy to AirBoss for review and comment at least 30 days prior to the date on which the Tax Return is to be timely filed; provided, that to the extent AEP Amalco intends to take a position of any such Tax Return that is inconsistent with past practices, AEP Amalco shall also provide a copy of such Tax Return to CSH. AEP Amalco shall make all reasonable changes requested by AirBoss within 15 days of its receipt of such Tax Returns that are in accordance with applicable Law and past practice, where applicable. All such Tax Returns so prepared by AEP Amalco shall be complete and accurate.

(b) AEP Amalco agrees to furnish or cause to be furnished to AirBoss, upon request, as promptly as practicable, such information and assistance relating to AEP and IRT as is reasonably necessary for AirBoss's review of all Tax Returns pursuant to this Section 7.7.

## **7.8 Tax Returns of CSA and IRT**

(a) USLP shall prepare or cause to be prepared all Tax Returns required by Law in respect of CSA, CSI and IRT for all taxable periods ending on or before the Closing Date and not filed prior to the Closing Date and any Straddle Period in a manner consistent with past practice, unless otherwise required by applicable Law and, prior to filing such returns with the relevant authorities shall, (i) to the extent any such Tax Return prepared in respect of CSA or CSI could affect the liability of CSH (or its direct or indirect owners), provide a copy of any such Tax Return to CSH for review and comment at least 30 days prior to the date on which the Tax Return is to be timely filed and (ii) to the extent any such Tax Return prepared in respect of IRT could affect the liability of AirBoss or any Affiliate of AirBoss, provide a copy to AirBoss for review and comment at least 30 days prior to the date on which the Tax Return is to be timely filed; provided, that, in each case, to the extent CSA or CSI intends to take a position of any such Tax Return that is inconsistent with past practices, CSA or CSI (as applicable) shall also provide a copy of such Tax Return to CSH or AirBoss, as applicable. USLP shall make all reasonable changes requested by CSH and AirBoss within 15 days of its receipt of such Tax Returns that are in accordance with applicable Law and past practice, where applicable. All such Tax Returns so prepared by USLP shall be complete and accurate.

(b) USLP agrees to furnish or cause to be furnished to CSH and AirBoss, upon request, as promptly as practicable, such information and assistance relating to CSA, CSI and IRT as is reasonably necessary for CSH's and AirBoss's review of all Tax Returns pursuant to this Section 7.8.

## **7.9 Transfer Taxes**

All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement shall be borne and paid by the applicable Purchaser when due, to the complete exoneration of Sellers. The applicable Purchaser shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees and promptly provide AirBoss or CSH, as applicable, with evidence that any such Taxes or fees have been paid.

## **7.10 Intended U.S. Tax Treatment**

The parties acknowledge and agree that it is their intent that for U.S. federal and applicable state and local income Tax purposes: (i) the contribution to the capital of CSA of principal and interest on the CSH Note in excess of \$10 million be treated as a transaction described in Section 108(e)(6) of the Code, (ii) the contribution to USLP by AirBoss of the convertible preferred shares of Canco and the IRT Membership Interests and the distribution of such convertible preferred shares to CSH be disregarded and treated as though AirBoss exchanged such convertible preferred shares and a portion of the IRT Membership Interests (the "**Deemed Exchanged Interests**") directly with CSH for the CSH Note (or the cash received in repayment thereof) in a taxable exchange pursuant to Section 1001 of the Code; (iii) immediately after such taxable exchange, (A) AirBoss be treated as contributing the IRT Membership Interests (other than the Deemed Exchanged Interests) to USLP in exchange for equity of USLP, and (B) CSH be treated as contributing all of the CSA shares and the Deemed Exchanged Interests to USLP, in each case, in exchange for equity of USLP in a tax-deferred contribution pursuant to Section 721 of the Code; (iv) the existence of the AirBoss Note be disregarded as transitory, (v) the convertible preferred shares of Canco be treated as common stock for purposes of Section 305 of the Code; (vi) the conversion of the convertible preferred shares of Canco into common stock be treated as a tax-free recapitalization pursuant to Section 368(a)(1)(E) of the Code; and (vii) the contribution by USLP of the stock of IRT to CSA be treated as a tax-deferred contribution pursuant Section 351 of the Code. No party hereto shall take any action or position inconsistent with such treatment unless otherwise required by Applicable Law.

## **7.11 Government Authorizations; Efforts to Closing; AirBoss IP**

(a) Sellers and Purchasers shall use their Commercially Reasonable Efforts to promptly (i) obtain any Authorizations from a Governmental Body necessary for the execution and delivery of this Agreement or to permit the consummation of the transactions contemplated by this Agreement, including the CFIUS Approval, filings required pursuant to Sections 122.4(a) and 122.4(b) of the ITAR and the ICA Approval, (ii) resolve any objections raised, or investigations, inquiries or reviews initiated, by any Governmental Body with respect to the transactions contemplated by this Agreement, and (iii) respond to any requests received from any Governmental Body with respect to the transactions contemplated by this Agreement, in each case so as to allow Closing to occur as soon as reasonably practicable and in any event by the Outside Date. Purchasers and Sellers shall reasonably cooperate with the other parties in promptly seeking to obtain all such Authorizations, resolve all such objections, investigations, inquiries or reviews, or respond to all such requests.

(b) Without limiting the generality of Section 7.11(a)(a):

- (i) Sellers and Purchasers acknowledge they will promptly prepare and file with CFIUS a draft joint voluntary notice, and after receiving CFIUS's comments on the draft joint voluntary notice, file with CFIUS a formal joint voluntary notice in connection with the transactions contemplated by this Agreement;
- (ii) Sellers and Purchasers acknowledge they will promptly prepare and file "60-day notices" pursuant to Section 122.4(b) of the ITAR. Within five calendar days after the Closing, Sellers and Purchasers will cause AEP, IRT and CSA to promptly prepare and file with DDTC notifications under Section 122.4(a) of the ITAR;
- (iii) Sellers and Purchasers acknowledge they will promptly prepare and file a notification under Section 12 of the Investment Canada Act in connection with the transactions contemplated by this Agreement;
- (iv) with respect to any applications, notices, filings, submissions, correspondence, agreements, orders, undertakings, or other information or communications with or to a Governmental Body, promptly provide Sellers and other Purchasers (in the case of a Purchaser) or Purchasers and other Seller (in the case of a Seller) with draft copies thereof in advance and a reasonable opportunity to review and comment thereon prior to supplying to or filing with a Governmental Body, as well as final copies thereof once supplied or filed, as applicable (except for any such materials or parts thereof that the disclosing party, acting reasonably, considers confidential and competitively sensitive, which then shall be provided on an outside-counsel-only basis to external counsel of the other party);
- (v) cooperate on a timely basis in the preparation of any response by the other party to any request for information received by such other party from a Governmental Body;
- (vi) provide Sellers, other Purchasers and their counsel (in the case of a Purchaser) or Purchasers, other Seller and their counsel (in the case of a Seller) with advance notice of and the opportunity to participate in any meeting, telephone call or other discussion with a Governmental Body;
- (vii) otherwise keep each other fully informed, on a timely basis, of the status of discussions with Governmental Bodies, including promptly providing copies of any written communications received from Governmental Bodies or summaries of any verbal communications received in that regard;
- (viii) effect such presentations and assist at such discussions or meetings with the relevant Governmental Bodies as may be appropriate; and
- (ix) not take any action that could reasonably be expected to have the effect of delaying, impairing or impeding the receipt of any Authorization, or the resolution of any objection, investigation, inquiry or review, including agreeing to the extension of any waiting period, without the prior written

approval of Sellers and other Purchasers (in the case of a Purchaser) or Purchasers and other Sellers (in the case of a Seller).

(c) Notwithstanding the foregoing, nothing in this Agreement shall require, or be construed to require, any of Purchasers or Sellers to agree to, or to accept or suffer to have imposed upon it, with respect to Purchasers or Sellers, any condition or mitigation that would require any of them to (i) sell, hold separate, divest, or discontinue, before or after the closing date, any material assets, businesses, or interests of Purchasers or Sellers; (ii) accept any conditions relating to, or changes or restrictions in, the operations of any such assets, businesses, or interests that could reasonably be expected to materially adversely impact the economic or business benefits to Purchasers or Sellers of the transactions or be otherwise materially adverse to the Purchasers or Sellers; or (iii) make any material modification or waiver of the terms and conditions of this Agreement (any of the foregoing actions identified in (i), (ii), and (iii), a **"Burdensome Condition"**).

(d) Sellers and Purchasers shall use their Commercially Reasonable Efforts to take, or cause to be taken, all action and to do, or cause to be done, all things reasonably necessary, proper or advisable to consummate and make effective as promptly as reasonably practicable the Closing (including the satisfaction, but not waiver, of the closing conditions set forth herein and the making of the closing deliveries provided for herein). Sellers and Purchasers shall use their Commercially Reasonable Efforts to put in place as of Closing, management incentive and employment arrangements in accordance with the Management Equity and Employment Term Sheet attached as Exhibit C.

(e) During the period from the date hereof to the Time of Closing, AirBoss shall take all action reasonably necessary in order to (i) assign to AEP or IRT, as applicable, free and clear of all Encumbrances, ownership of all AirBoss Intellectual Property owned by AirBoss or any other subsidiaries of AirBoss and used in the AirBoss Business, and (ii) transfer all licenses, agreements and other Contracts relating to the provision of information technology or other vendor services used in the AirBoss Business (except to the extent AEP or IRT, as applicable, elects for a license, agreement or other Contract not to be transferred). AirBoss shall also use commercially reasonable efforts to correct the break in chain of title in the patent numbered 6,902,287 owned by IRT prior to the Time of Closing.

## **7.12 Financing**

(a) The parties acknowledge that (i) while the desire was to fully finance with third party secured debt, \$60,000,000 in cash payments to AirBoss in connection with the Closing (as such payments are more fully described in Articles 2 and 3 hereof), and (ii) they now believe obtaining such financing is unlikely. Prior to Closing, the parties shall use their Commercially Reasonable Efforts to arrange for third party secured debt financing on substantially the terms set forth in Exhibit 7.12(a)(a) or on such other terms as are reasonably acceptable to the Sellers; provided that CSA shall take the lead in negotiating and documenting such financing. For the avoidance of doubt, in the event the parties are unable to obtain mutually acceptable funded third party secured debt financing of \$60,000,000, or any funded third party secured debt financing, the Closing shall still be consummated (subject to the terms and conditions set forth herein) with AirBoss receiving, all or in part, VTB Notes rather than cash as more fully described in Articles 2 and 3 hereof.

(b) In the event VTB Notes are necessary to consummate the Closing, such notes shall be on such terms set forth in the attached Exhibit 7.12(a)(b), and shall otherwise be reasonably negotiated in good faith by the Sellers prior to the Closing.

**7.13**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**ARTICLE 8**  
**TERM AND TERMINATION**

**8.1**            **Term**

This Agreement shall be effective from the date hereof until the termination of this Agreement in accordance with its terms.

**8.2**            **Termination**

- (a) This Agreement may be terminated at any time prior to the Time of Closing:
  - (i) by mutual written agreement of Sellers;
  - (ii) by either Seller if the Closing does not occur on or prior to the Outside Date, provided that a Party may not terminate this Agreement pursuant to this Section 8.2(a)(a)(ii) if the failure of Closing to so occur has been primarily caused by, or is the primary result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement;
  - (iii) by AirBoss if a material breach of any representation or warranty or failure to perform any covenant or agreement on the part of a Purchaser or CSH under this Agreement occurs that would cause any condition in Section 3.8(a) (AirBoss Representations and Warranties Condition) or Section 3.8(b) (AirBoss Covenants Condition) not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; provided that AirBoss is not then in breach of this Agreement so as to cause any condition in Section 3.9 not to be satisfied; or
  - (iv) by CSH if a material breach of any representation or warranty or failure to perform any covenant or agreement on the part of a Purchaser or AirBoss under this Agreement occurs that would cause any condition in Section 3.9(a) (CSH Representations and Warranties Condition) or Section 3.9(b) (CSH Covenants Condition) not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; provided that CSH is not then in breach of this Agreement so as to cause any condition in Section 3.8 not to be satisfied.

(b) The Party desiring to terminate this Agreement pursuant to this Section 8.2 (other than pursuant to Section 8.2(a)(a)(i) (Mutual Agreement)) shall give written notice of such termination to the other Parties, specifying in reasonable detail the basis for such Party's exercise of its termination right. In the event of termination of this Agreement pursuant to this Section 8.2, this Agreement shall forthwith become void and have no effect, and no party shall have any liability to the other party or its owners, officers, managers or directors pursuant to this Agreement, except for the obligations under Article 10 (and any related definitional provisions set forth in Section 1.1) and this Section 8.2, all of which shall survive the date of termination. Notwithstanding the foregoing, nothing contained herein shall relieve any party from liability for any fraud or willful breach hereof prior to the termination of this Agreement.

**ARTICLE 9**  
**SURVIVAL AND INDEMNIFICATION**

**9.1 Survival of Representations, Warranties and Covenants**

All representations, warranties and covenants contained in this Agreement and in all other agreements, documents and certificates delivered pursuant to or contemplated by this Agreement (other than the conditions of Closing set out in Article 3 which shall terminate and be of no further force or effect immediately after Closing) shall survive the Closing and shall not merge.

**9.2 Indemnification by AirBoss**

(a) Subject to the limitations set out elsewhere in this Article 9, AirBoss shall indemnify and save harmless Purchasers and CSH from and against all Losses suffered or incurred by Purchasers or CSH as a result of or arising directly or indirectly out of or in connection with:

- (i) any inaccuracy or breach by AirBoss of any representation or warranty of AirBoss contained in this Agreement or in any agreement, certificate or other document delivered pursuant hereto;
- (ii) any Pre-Closing Income Taxes of AEP or IRT; and
- (iii) any breach or non-performance by AirBoss of any covenant contained in this Agreement or in any agreement, certificate or other document delivered pursuant hereto.

(b) Subject to Section 9.4, the Parties acknowledge that any payment made in respect of a Claim made under this Section 9.2 will, at the election of AirBoss in its sole discretion, be paid in (i) cash, and/or (ii) the redemption of the interests of USLP held by AirBoss pursuant to Section 15 of the USLP Securityholders Agreement and the redemption of interests of AEP Amalco shares held by AirBoss pursuant to Section 15 of the AEP Amalco Shareholders Agreement, provided that any redemption of interests under (ii) shall always be made proportionately.

(c) The Parties acknowledge that CSH shall have the right to make a Claim under this Section 9.2 on behalf of a Purchaser (and the Purchasers shall cooperate in good faith with CSH in the investigation and making of any such Claim) and any cash payment made in respect of a Claim made under this Section 9.2 will, subject to Section 9.2(d) below, be distributed solely to CSH. Any indemnification payment made pursuant to this Section 9.2 shall be treated (i) for Canadian tax purposes as a contribution of capital to USLP by AirBoss and a distribution of capital from USLP to CSH, and (ii) for U.S. federal and applicable state and local tax purposes, as an adjustment to the purchase price paid in the taxable exchange described in clause (ii) of Section 7.10 hereof, and shall not otherwise impact the proportionate interests of USLP held by AirBoss and CSH.

(d) Notwithstanding the foregoing Section 9.2(c), in the event of a Claim where USLP or Newco, as the case may be, reasonably determines in good faith that the underlying Losses may be satisfied, mitigated or otherwise reduced in whole or in part by a payment of any cash indemnification payment made pursuant to this Section 9.2 over to a third party or the use

of such cash indemnification payment to remedy the Loss, the amount of such cash indemnification payment so used for satisfaction, mitigation or reduction of the Loss shall not be distributed to CSH under Section 9.2(c).

### **9.3 Indemnification by CSH**

(a) Subject to the limitations set out elsewhere in this Article 9, CSH shall indemnify and save harmless USLP, Newco and AirBoss from and against all Losses suffered or incurred by USLP, Newco or AirBoss as a result of or arising directly or indirectly out of or in connection with:

- (i) any inaccuracy or breach by CSH of any representation or warranty of CSH contained in this Agreement or in any agreement, certificate or other document delivered pursuant hereto and the matters listed on Part I of Schedule 9.3(a)(a)(iii) of the CSA Disclosure Letter;
- (ii) any Pre-Closing Income Taxes of CSA and CSI;
- (iii) the matters listed on Part II of Schedule 9.3(a)(a)(iii) of the CSA Disclosure Letter; and
- (iv) any breach or non-performance by CSH of any covenant contained in this Agreement or in any agreement, certificate or other document delivered pursuant hereto.

(b) Subject to Section 9.4, the Parties acknowledge that any payment made in respect of a Claim made under this Section 9.3 will, at the election of CSH in its sole discretion, be paid in (i) cash, and/or (ii) the redemption of the interests of USLP held by CSH pursuant to Section 15 of the USLP Securityholders Agreement and the redemption of interests of AEP Amalco shares held by Newco pursuant to Section 15 of the AEP Amalco Shareholders Agreement, provided that any redemption of interests under (ii) shall always be made proportionately.

(c) The Parties acknowledge that AirBoss shall have the right to make a Claim under this Section 9.3 on behalf of USLP or Newco, as applicable, and any cash payment made in respect of a Claim made under this Section 9.3 will, subject to Section 9.3(d) below, be distributed solely to AirBoss. Any indemnification payment made pursuant to this Section 9.3 shall be treated (i) for Canadian tax purposes as a contribution of capital to USLP by CSH and a distribution of capital from USLP to AirBoss, and (ii) for U.S. federal and applicable state and local tax purposes, as an adjustment to the purchase price paid in the taxable exchange described in clause (ii) of Section 7.10 hereof, and shall not otherwise impact the proportionate interests of USLP held by AirBoss and CSH.

(d) Notwithstanding the foregoing Section 9.3(a)(c), in the event of a Claim where USLP or Newco, as the case may be, reasonably determines in good faith that the underlying Losses may be satisfied, mitigated or otherwise reduced in whole or in part by payment of any cash indemnification payment made pursuant to this Section 9.3 over to a third party or use of such cash indemnification payment to remedy the Loss, the amount of such cash indemnification payment so used for satisfaction, mitigation or reduction of the Loss shall not be distributed to AirBoss under Section 9.3(a)(c).

#### **9.4 Monetary Limitation of Liability; Limited Recourse**

(a) Except with respect to the indemnities set forth in Section 9.2(a)(ii) and (iii) and 9.3(a)(ii), (iii) and (iv), an Indemnified Party shall not be entitled to require payment of any amount by the applicable Indemnifying Party with respect to the indemnities contained in Section 9.2 or 9.3 as applicable, until the aggregate of all such amounts for which the Indemnified Party would otherwise be entitled to require payment under Sections 9.2 or 9.3 as applicable, exceeds \$1,000,000 (the “**Basket**”), in which case the Indemnifying Party shall be liable for the aggregate of all such amounts, including the Basket (subject to all the other terms and conditions set forth in this Article 9), provided that for the purposes of the indemnities set forth in Section 9.3(a)(i) with respect to the matters listed on Part I of Schedule 9.3(a)(iii) of the CSA Disclosure Letter, the Basket shall be \$250,000.

(b) With respect to indemnification pursuant to Section 9.2(a)(a)(i) for any inaccuracy or breach by AirBoss which is not an AirBoss Fundamental Representation and does not involve fraud, AirBoss shall not have any liability that exceeds an amount of \$5,000,000.

(c) With respect to indemnification pursuant to Section 9.3(a)(a)(i) for any inaccuracy or breach by CSH which is not a CSH Fundamental Representation and does not involve fraud, CSH shall not have any liability that exceeds an amount of \$5,000,000.

(d) In the event AirBoss has elected to satisfy a Claim under Section 9.2 by way of the redemption of the interests of USLP and shares of AEP Amalco, AirBoss shall cease to have any liability pursuant to Section 9.2 at such time as all of the interests of USLP and AEP Amalco originally held by AirBoss shall have been redeemed, and in no event shall AirBoss be required to make any indemnity payment in cash.

(e) In the event CSH has elected to satisfy a Claim under Section 9.3 by way of the redemption of the interests of USLP and shares of AEP Amalco, CSH shall cease to have any liability pursuant to Section 9.3 at such time as all of the interests of USLP and AEP Amalco originally held by CSH shall have been redeemed, and in no event shall CSH be required to make any indemnity payment in cash.

#### **9.5 Notice of Claim**

(a) A party that may be entitled to make a claim for indemnification (a “**Claim**”) under this Agreement (the “**Indemnified Party**”) shall give written notification to the other party (the “**Indemnifying Party**”) of such Claim (a “**Notice of Claim**”) promptly upon becoming aware of the Claim, but in no event later than the relevant date, if any, specified in Section 9.6. The Notice of Claim shall specify whether the Claim arises as a result of a claim by a Person against the Indemnified Party (a “**Third Party Claim**”) or whether the Claim does not so arise (a “**Direct Claim**”), and shall also specify with reasonable particularity, to the extent that the information is available, the factual basis for the Claim and the amount of the Claim.

(b) If an Indemnified Party fails to provide the Indemnifying Party with a Notice of Claim promptly as required by Section 9.5(a)(a), the Indemnifying Party shall be relieved of the obligation to pay damages to the extent it can show that it was prejudiced in its defence of the Claim or in proceeding against a third party who would have been liable to it by the fact of the delay, but the failure to provide such Notice of Claim promptly shall not otherwise release the Indemnifying Party from its obligations under this Article 9.

(c) If the date by which a Notice of Claim must be given as set out in Section 9.6 in respect of a breach of representation and warranty has passed without any Notice of Claim having been given to the Indemnifying Party, then the related Claim shall be forever extinguished, notwithstanding that by the date specified in Section 9.6 the Indemnified Party did not know, and in the exercise of reasonable care could not have known, of the existence of the Claim.

**9.6 Time Limits for Notice of Claim for Breach of Representations and Warranties and Taxes Owed**

(a) AirBoss shall not be required to indemnify or save harmless a Purchaser or CSH pursuant to Section 9.2(a)(a)(i) unless such Purchaser or CSH shall have provided to AirBoss a Notice of Claim with respect to the applicable Claim within the following time limits:

- (i) with respect to the representations and warranties set out in Sections 4.1 through 4.4, 4.7, 4.9, 4.10, 4.34 and 4.35 (collectively, the “**AirBoss Fundamental Representations**”), at any time after Closing;
- (ii) with respect to the representations and warranties set out in Sections 4.6 and 4.26, not later than the day that is 60 days after the expiration of the period, if any, during which an assessment, reassessment, confirmation, judgment or other form of recognized written demand assessing liability for Tax, interest or penalties under applicable legislation in respect of any taxation year to which such representations and warranties relate could be issued to AEP or IRT under such legislation;
- (iii) with respect to a claim for any breach of any of the representations and warranties contained in this Agreement or in any agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud, at any time after Closing; and
- (iv) with respect to all other representations and warranties, not later than the eighteen month anniversary of the Closing Date.

(b) CSH shall not be required to indemnify or save harmless USLP, Newco or AirBoss pursuant to Section 9.3(a)(a)(i) unless USLP, Newco or AirBoss shall have provided to CSH a Notice of Claim within the following time limits:

- (i) with respect to the representations and warranties set out in Sections 5.1 through 5.4, 5.6, 5.8, 5.9, 5.32 and 5.33 (collectively, the “**CSH Fundamental Representations**”), at any time after Closing;
- (ii) with respect to the representations and warranties set out in Section 5.25, not later than the day that is 60 days after the expiration of the period, if any, during which an assessment, reassessment, confirmation, judgment or other form of recognized written demand assessing liability for Tax, interest or penalties under applicable legislation in respect of any taxation year to which such representations and warranties relate could be issued to CSA or CSI under such legislation;

- (iii) with respect to a claim for any breach of any of the representations and warranties contained in this Agreement or in any agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud, at any time after Closing; and
- (iv) with respect to all other representations and warranties, not later than the eighteen month anniversary of the Closing Date.

### **9.7 Limitation Periods for Claims for Breach of Representations and Warranties and Taxes Owning**

Notwithstanding the provisions of the *Limitations Act, 2002* (Ontario) or any other statute, the period within which an Indemnified Party may commence a proceeding in respect of a Claim for which a Notice of Claim is required to be, and has been, given in accordance with Section 9.6, shall be two years from the last date upon which such Notice of Claim is permitted to be delivered thereunder, and any applicable limitation period is hereby so extended to the fullest extent permitted by Law.

### **9.8 Direct Claims**

With respect to any Direct Claim, following receipt of notice from the Indemnified Party of the Claim, the Indemnifying Party shall have 60 days to make such investigation of the Claim as is considered necessary or desirable (and the Purchasers shall and shall cause their Subsidiaries to, provide reasonable access in respect of, and reasonably cooperate with, such investigation). For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim, together with all such other information as the Indemnifying Party may reasonably request. If both parties agree at or prior to the expiration of such 60-day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party shall immediately pay to the Indemnified Party the full agreed-upon amount of the Claim, failing which the matter shall be referred to binding arbitration in such manner as the parties may agree or shall be determined by a court of competent jurisdiction.

### **9.9 Third Party Claims**

(a) The Indemnifying Party shall have the right, at its expense, to participate in or assume control of the negotiation, settlement or defence of any Third Party Claim for damages and if the Indemnifying Party assumes control, it shall reimburse the Indemnified Party for all of the Indemnified Party's reasonable, documented, out-of-pocket expenses prior to the time the Indemnifying Party assumed control. If the Indemnifying Party elects to assume such control, the Indemnified Party shall have the right to participate in the negotiation, settlement or defence of such Third Party Claim and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless the named parties to any action or proceeding include both the Indemnifying Party and the Indemnified Party and representation of both the Indemnifying Party and the Indemnified Party by the same counsel would be inappropriate due to actual or potential differing interests between them (such as the availability of different defences).

(b) If the Indemnifying Party, having elected to assume such control, thereafter fails to defend the Third Party Claim within a reasonable time, the Indemnified Party shall be entitled

to assume such control and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim.

(c) If any Third Party Claim is of a nature such that the Indemnified Party is required by applicable Law to incur losses or make a payment to any Person (a “**Third Party**”) with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party may incur such Losses or make such payment and the Indemnifying Party shall, forthwith after demand by the Indemnified Party, reimburse the Indemnified Party for such payment. If the amount of any liability of the Indemnified Party under such Third Party Claim, as finally determined, is less than the amount that was paid by the Indemnifying Party to the Indemnified Party, the Indemnified Party shall, forthwith after the receipt of the difference from the Third Party, pay the amount of such difference, together with any interest thereon paid by the Third Party to the Indemnified Party, to the Indemnifying Party. In addition, the Indemnifying Party shall post all security required by any court, regulatory body or other authority having jurisdiction, including without limitation, for purposes of enabling the Indemnifying Party to contest any Third Party Claim.

(d) If the Indemnifying Party fails to assume control of the defence of any Third Party Claim or defaults in respect of any of its obligations under this Section 9.9 with respect thereto, the Indemnified Party shall have the exclusive right to contest the amount claimed and may settle and pay the same on 14 days’ prior written notice to the Indemnifying Party and the Indemnifying Party shall, thereupon, be deemed to have agreed that such settlement is reasonable and may be agreed to by the Indemnified Party and all other Persons liable in respect of the Third Party Claim unless within such 14-day period the Indemnifying Party notifies the Indemnified Party that it is assuming or reassuming control of such defence and thereafter assumes or reassumes such control and does not default.

(e) The Indemnified Party and the Indemnifying Party shall reasonably co-operate with each other with respect to Third Party Claims, and shall keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available).

#### **9.10**            **Exclusivity**

No party may make any claim for damages in respect of this Agreement or any certificate delivered pursuant hereto (excluding the Ancillary Agreements) or in respect of any breach or termination thereof, against any other party except by making a Claim pursuant to and in accordance with this Article 9, subject, for greater certainty, to the limitations set forth in Section 9.4. The provisions of this Section 9.10 shall survive any termination of this Agreement.

### **ARTICLE 10** **MISCELLANEOUS**

#### **10.1**            **Notices**

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by fax or by email or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(i) if to AirBoss:

[REDACTED]

[REDACTED]

[REDACTED]

with a copy (which shall not constitute notice) to:

[REDACTED]

[REDACTED]

[REDACTED]

(ii) if to CSH or CSA, or to USLP or Newco:

[REDACTED]

[REDACTED]

with a copy (which shall not constitute notice) to:

[REDACTED]

[REDACTED]

[REDACTED]

(iii) if to Canco:

[REDACTED]

[REDACTED]

[REDACTED]

with a copy (which shall not constitute notice) to:

[REDACTED]

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. at the place of receipt, then on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing; provided, however, that if at the time of mailing or within three Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(c) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 10.1.

## **10.2 Amendments and Waivers**

No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

## **10.3 Assignment; Remedies**

No party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except with the prior written consent of the other parties.

Except as expressly provided in this Agreement, the parties shall be entitled to enforce any rights under any provision of this Agreement specifically (without posting a bond or other security) and to exercise all other rights granted by Laws. All such rights and remedies shall be cumulative and non-exclusive, and may be exercised singularly or concurrently. If any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached by a party hereto: (a) irreparable damage would occur to the non-breaching party; (b) no adequate remedy at Law would exist and damages would be difficult to determine; and (c) the non-breaching party shall be entitled to specific performance of the terms hereof.

**10.4**            **Successors and Assigns**

This Agreement shall inure to the benefit of and shall be binding on and enforceable by and against the parties and, where the context so permits, their respective successors and permitted assigns.

**10.5**            **Expenses; Commissions**

Each Seller shall pay for its and its Affiliates own costs and expenses incurred in connection with the negotiation, preparation, execution and performance of this Agreement, the Ancillary Agreements and the transactions contemplated herein and therein, including the fees and expenses of legal counsel, financial advisors, brokers, accountants and other professional advisors and fees payable to any Governmental Bodies. AirBoss shall pay any transaction or change of control bonuses payable to employees of AirBoss, AEP or IRT as a result of the consummation of the transactions contemplated hereby. CSH shall pay any transaction or change of control bonuses payable to employees of CSH, CSA or CSI as a result of the consummation of the transactions contemplated hereby (to the extent payable pursuant to arrangements existing prior to Closing).

**10.6**            **Consultation**

Prior to issuance of the initial press release announcing the transactions contemplated hereby, AirBoss shall consult with CSH in good faith with respect to the contents thereof, it being understood that CSH's consent is not required in connection with any public disseminations pertaining to the transactions contemplated hereby made by AirBoss, including in connection with such public filings required to be made by AirBoss pursuant to applicable Law.

**10.7**            **Further Assurances**

Each of the parties hereto shall, at all times after the Closing Date and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered, at the expense of the requesting party, all further acts documents and things as may be required or necessary for the purposes of giving effect to this Agreement, including such other instruments of sale, transfer, conveyance, assignment, confirmation, certificates and other instruments as may be reasonably requested in order to more effectively transfer, convey and assign the AEP Shares, the convertible preferred shares of Canco, the IRT Membership Interests, the CSA Shares or the AEP Amalco Shares and to effectuate the transactions contemplated herein.

**10.8**            **Counterparts**

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts shall together constitute one and the same original document.

IN WITNESS WHEREOF this Agreement has been executed by the parties as of the date first above written.

**AIRBOSS OF AMERICA CORP.**

by (signed) Lisa Swartzman  
Name: Lisa Swartzman  
Title: President

**CRITICAL SOLUTIONS HOLDINGS,  
LLC**

by (signed) Paul Murphy  
Name: Paul Murphy  
Title: President

**CRITICAL SOLUTIONS ACQUISITION,  
INC.**

by (signed) Paul Murphy  
Name: Paul Murphy  
Title: President

**AIRBOSS DEFENSE GROUP, L.P.**

by (signed) Patrick Callahan  
Name: Patrick Callahan  
Title: Chief Executive Officer

**AIRBOSS DEFENSE GROUP LTD.**

by (signed) Lisa Swartzman  
Name: Lisa Swartzman  
Title: President

**AIRBOSS DEFENSE GROUP, LLC**

by (signed) Patrick Callahan  
Name: Patrick Callahan  
Title: Chief Executive Officer

**MANAGEMENT SERVICES AGREEMENT**

THIS AGREEMENT made as of the \_\_\_ day of \_\_\_\_\_, 2019,

B E T W E E N:

**AIRBOSS OF AMERICA CORP.**

(hereinafter called "AirBoss")

- and -

**AIRBOSS DEFENSE GROUP LTD.,**

(hereinafter called "ADG Canada")

- and -

**CRITICAL SOLUTIONS INTERNATIONAL,  
INC.,**

(hereinafter called "CSI")

WHEREAS ADG Canada and CSI (collectively, "ADG") wish to engage AirBoss to provide certain operational, advisory and support services and AirBoss is prepared to provide those services on the terms and conditions in this Agreement;

NOW THEREFORE IN CONSIDERATION of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged) the parties agree as follows:

**1. Engagement**

During the Term of this Agreement, AirBoss agrees to use its best efforts to faithfully and diligently provide ADG (and their respective subsidiaries) with the following operational, advisory and support services, as and when required, and, as applicable, in a manner substantially consistent with AirBoss' past practices in regard to AirBoss Engineered Products Inc. and Immediate Response Technologies, LLC (the "Services"):

- (a) sales and marketing support with respect to ADG Canada's rubber solutions business;
- (b) raw material purchasing support;
- (c) IT services;
- (d) human resources services;
- (e) research and development support with respect to ADG Canada's rubber solutions business;
- (f) services from AirBoss' continuous improvement team;

- (g) finance services; and
- (h) legal services.

**2. Term**

The term (the "**Term**") of this Agreement shall commence effective as of the date hereof and shall terminate upon:

- (a) the written election of ADG Canada and CSI, at any time AirBoss and its affiliates do not (i) hold at least 20% of the outstanding shares of ADG Canada, or (ii) hold at least 20% of the outstanding units of AirBoss Defense Group, L.P., a Delaware limited partnership. ("**US LP**")
- (b) the sale, whether direct or indirect, by each of AirBoss and Critical Solutions Holdings, LLC, or any successors in interest thereto, of all of the issued and outstanding shares of ADG Canada and US LP or any successors in interest thereto; or
- (c) the sale of all or substantially all of the assets of ADG.

**3. Fees**

ADG Canada and CSI shall pay AirBoss an aggregate annual management fee equal to 3% of third-party non-defense sales by AirBoss Engineered Products Inc., or any successor thereto, payable in arrears in quarterly amounts, in consideration for providing the Services; provided, however, that if the payment of any portion of the management fee is not permitted by any credit agreement or similar lending arrangement to which ADG Canada, CSI or any of their respective subsidiaries is a party from time to time, that payment will be deferred until the first date that ADG Canada and CSI are able to make such payment under the terms of such credit agreement or similar lending arrangement and the amount of that deferred payment shall bear interest at the prime rate of interest charged by ADG Canada's senior lender from and including the date that such payment is due until and excluding the date it is actually paid. ADG Canada and CSI shall allocate the management fee amongst themselves based on the relative value of the Services provided to each of ADG Canada (and its subsidiaries) and CSI (and its subsidiaries) from time to time, and each of ADG Canada and CSI shall make payment of a portion of the management fee in accordance with such allocation.

**4. Additional Services**

At any time during the Term of this Agreement, ADG may request that AirBoss provide services in addition to those outlined above in Section 1 ("**Additional Services**"). To the extent that AirBoss is prepared to provide the Additional Services requested by ADG, it shall make a fee proposal (the "**Fee Proposal**") to ADG outlining in detail the work that it would be undertaking to complete and the expected compensation.

**5. General**

- (a) This Agreement is not transferable or assignable by the parties hereto.
- (b) This Agreement shall not be amended, modified or waived in any regard without the prior written consent of AirBoss, ADG Canada, CSI and, at such times as it remains a direct or indirect equity holder of ADG Canada or CSI, Critical Solutions Holdings, LLC. Critical Solutions Holdings, LLC shall be a third party beneficiary of this Section 5(b).
- (c) This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein.
- (d) This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

**[The next page is the signature page.]**

IN WITNESS WHEREOF this Agreement has been executed by the parties as of the date first written above.

**AIRBOSS OF AMERICA CORP.**

by \_\_\_\_\_  
Name:  
Title:

**AIRBOSS DEFENSE GROUP LTD.**

by \_\_\_\_\_  
Name:  
Title:

**CRITICAL SOLUTIONS  
INTERNATIONAL, INC.**

by \_\_\_\_\_  
Name:  
Title:

---

**AIRBOSS DEFENSE GROUP, L.P.**

---

**AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP**

**Dated as of [\_\_\_\_], 2019**

THE PARTNERSHIP INTERESTS ISSUED PURSUANT TO THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH INTERESTS MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM AND COMPLIANCE WITH THE OTHER SUBSTANTIAL RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

SUCH PARTNERSHIP INTERESTS ARE ALSO SUBJECT TO THE ADDITIONAL RESTRICTIONS ON TRANSFER SET FORTH IN THIS AGREEMENT. THE PARTNERSHIP INTERESTS MAY ALSO BE SUBJECT TO A SECURITYHOLDERS AGREEMENT, AS MAY BE AMENDED FROM TIME TO TIME, BY AND AMONG THE ISSUER AND CERTAIN OF THE ISSUER'S PARTNERS. THE PARTNERSHIP INTERESTS MAY ALSO BE SUBJECT TO ONE OR MORE MANAGEMENT SUBSCRIPTION OR GRANT AGREEMENTS OR OTHER SUBSCRIPTION OR GRANT AGREEMENTS, AS MAY BE AMENDED FROM TIME TO TIME, BY AND BETWEEN THE ISSUER AND ONE OR MORE OF THE ISSUER'S PARTNERS.

---

---

## TABLE OF CONTENTS

	<u>Page</u>
<b>ARTICLE I DEFINITIONS .....</b>	<b>1</b>
1.1    Definitions.....	1
1.2    Interpretative Matters.....	11
<b>ARTICLE II ORGANIZATIONAL MATTERS.....</b>	<b>12</b>
2.1    Formation of the Partnership .....	12
2.2    Effect of Partnership Agreement .....	12
2.3    Name.....	12
2.4    Powers; Purposes .....	12
2.5    Principal Office; Registered Office .....	13
2.6    Term.....	13
2.7    Foreign Qualification .....	13
2.8    Partnership Status.....	13
<b>ARTICLE III ADMISSION OF PARTNERS; CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS .....</b>	<b>13</b>
3.1    Units Generally.....	13
3.2    Authorization and Issuance of Units.....	14
3.3    Issuance of Units.....	14
3.4    New Partners from the Issuance of Units .....	14
3.5    Capital Contributions.....	15
3.6    Capital Accounts.....	15
3.7    Negative Capital Accounts .....	16
3.8    No Withdrawal.....	16
3.9    Loans From Limited Partners .....	16
3.10   No Right of Partition.....	16
3.11   Status of Capital Contributions.....	16
3.12   Non-Certification of Units; Legend; Units Are Securities .....	17
<b>ARTICLE IV DISTRIBUTIONS .....</b>	<b>17</b>
4.1    Generally.....	17
4.2    Discretionary Distributions.....	17
4.3    Tax Advances.....	18
4.4    Elective Loans.....	18
4.5    Indemnification and Reimbursement for Payments on Behalf of a Partner .....	19
<b>ARTICLE V DETERMINATION AND ALLOCATION OF NET INCOME OR LOSS .....</b>	<b>20</b>
5.1    Allocations .....	20
5.2    Special Allocations .....	20
5.3    U.S. Tax Allocations.....	22
5.4    Limited Partners' Tax Reporting .....	23

## TABLE OF CONTENTS (CONT'D)

	<u>Page</u>
5.5 Allocation of Canadian Tax Income and Canadian Tax Loss .....	23
5.6 Canadian Tax Returns .....	23
5.7 Withholding on Behalf of a Limited Partner .....	23
<b>ARTICLE VI RIGHTS AND DUTIES OF PARTNERS.....</b>	<b>24</b>
6.1 Power and Authority of Partners.....	24
6.2 Voting Rights .....	24
6.3 Liability of Limited Partners.....	25
6.4 Investment Opportunities; Performance of Duties; Conflicts of Interest .....	25
6.5 Investment Representations of Limited Partners .....	26
<b>ARTICLE VII MANAGEMENT OF THE PARTNERSHIP .....</b>	<b>27</b>
7.1 Management of the Partnership .....	27
7.2 Board of Directors.....	27
7.3 Officers .....	30
7.4 Performance of Duties; Liability of Directors and Officers .....	30
7.5 Indemnification .....	31
<b>ARTICLE VIII TAX MATTERS .....</b>	<b>32</b>
8.1 Designation of Tax Matters Partner .....	32
8.2 Preparation of Tax Returns .....	32
8.3 Tax Elections .....	32
8.4 Tax Controversies .....	33
8.5 Tax Status of Partnership.....	33
<b>ARTICLE IX TRANSFER OF SHARES; SUBSTITUTED PARTNERS.....</b>	<b>34</b>
9.1 Restrictions on Transfers .....	34
9.2 General Restrictions on Transfers.....	34
9.3 Void Transfers .....	34
9.4 Substituted Partner .....	34
9.5 Effect of Transfer.....	35
9.6 Additional Transfer Restrictions.....	35
9.7 Transfer Fees and Expenses.....	35
9.8 Date of Transfers.....	35
9.9 Effect of Incapacity.....	36
9.10 No Circumvention of Transfer Restrictions.....	36
<b>ARTICLE X DISSOLUTION AND LIQUIDATION .....</b>	<b>36</b>
10.1 Dissolution .....	36
10.2 Liquidation and Termination .....	36
10.3 Complete Distribution.....	37
10.4 Cancellation of Certificate .....	38
10.5 Reasonable Time for Winding Up .....	38
10.6 Return of Capital.....	38
10.7 HSR Act.....	38
10.8 Termination.....	38

**TABLE OF CONTENTS (CONT'D)**

	<u>Page</u>
<b>ARTICLE XI CERTAIN AGREEMENTS .....</b>	<b>38</b>
11.1 Books and Records .....	38
11.2 Power of Attorney .....	39
11.3 Amendment .....	39
11.4 Remedies .....	40
11.5 Successors and Assigns .....	40
11.6 Severability .....	40
11.7 Counterparts .....	40
11.8 Applicable Law .....	40
11.9 Addresses and Notices .....	41
11.10 Creditors .....	41
11.11 Waiver .....	41
11.12 WAIVER OF JURY TRIAL .....	41
11.13 Further Action .....	41
11.14 Entire Agreement .....	41
11.15 Delivery by Facsimile or Email .....	42
11.16 Survival .....	42
11.17 Confidentiality .....	42
11.18 Reimbursement of Expenses .....	43
11.19 Use of Limited Partners' Name .....	43
11.20 Partner's Rights as Creditor .....	43

**SCHEDULES:**

Schedule of Units  
Schedule of Partners

**EXHIBITS:**

Exhibit A      Form of Joinder to Limited Partnership Agreement

**AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP  
OF  
AIRBOSS DEFENSE GROUP, L.P.**

This AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP (this “Agreement”) of AirBoss Defense Group, L.P., a Delaware limited partnership (the “Partnership”), is entered into on [\_\_\_\_], 2019 (the “Effective Date”) by and among AirBoss Defense Group GP, Inc., a Delaware corporation, as the sole general partner, and those persons and entities listed on the Schedule of Partners attached hereto as limited partners (and those limited partners subsequently admitted pursuant to the terms of this Agreement, together with their permitted successors and assigns who are admitted as Substituted Partners).

**RECITALS:**

WHEREAS, the term of the Partnership commenced on April 30, 2019, upon the filing with the Secretary of State of the State of Delaware of the Certificate of Limited Partnership; and

WHEREAS, the General Partner and the Limited Partners desire to enter into this Agreement to set forth the terms and conditions governing the Partnership, and this Agreement shall amend and restate in its entirety the Agreement of Limited Partnership of the Partnership, dated as of April 30, 2019 (the “Original Agreement”).

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereto, each intending to be legally bound, agree that during the term of the Partnership, the rights and obligations of the Partners with respect to the Partnership will be determined in accordance with the terms and conditions of this Agreement and the Delaware Act, and further agree as follows:

**ARTICLE I**

**DEFINITIONS**

1.1 Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

“Additional Partner” means any Person that has been admitted to the Partnership as a Partner after the Effective Date pursuant to Section 3.4 by virtue of having received its Partnership Interest from the Partnership and not from any other Partner or Assignee.

“Adjusted Capital Account Deficit” means, with respect to any Partner, the deficit balance, if any, in such Partner’s Capital Account as of the end of the relevant Taxable Year, after giving effect to the following adjustments:

(i) Crediting to such Capital Account any amount which such Partner is obligated to restore or is deemed to be obligated to restore to the Partnership pursuant to Treasury Regulation Sections 1.704-1(b)(2)(ii)(c) (relating to partner liabilities to a partnership), 1.704-2(g)(1), and 1.704-2(i)(5) (relating to minimum gain); and

(ii) Debiting to such Capital Account the items described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and will be interpreted consistently therewith.

“Adjusted Taxable Income” of a Partner for a Fiscal Year (or portion thereof) with respect to Units held by such Partner means the U.S. federal taxable income allocated by the Partnership to the Partner with respect to such Units (as adjusted by any final determination in connection with any tax audit or other proceeding) for such Fiscal Year (or portion thereof); provided, that such taxable income shall be computed (i) as if all excess taxable losses and excess taxable credits allocated with respect to such Units were carried forward (taking into account the character of any such loss carryforward as capital or ordinary) and (ii) taking into account any special basis adjustment with respect to such Partner resulting from an election by the Partnership under Code Section 754.

“Affiliate” when used with reference to another Person means any Person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other Person. With respect to any Person who is an individual, “Affiliate” shall also include, without limitation, any member of such individual’s Family Group.

“Agreement” has the meaning set forth in the preamble hereto.

“AirBoss” means AirBoss of America Corp.

“AirBoss Holders” means AirBoss and any Person holding Units originally acquired by AirBoss that were Transferred to such Person in accordance with the provisions of Article IX.

“Assignee” means any Transferee to which a Partner or another Assignee has Transferred all or a portion of its interest in the Partnership in accordance with the terms of this Agreement, but that is not a Partner.

“Bankruptcy” means, with respect to any Person, the occurrence of any of the following events: (a) the filing of an application by such Person for, or a consent to, the appointment of a trustee or custodian of such Person’s assets; (b) the filing by such Person of a voluntary petition in Bankruptcy or the seeking of relief under Title 11 of the United States Code, as now constituted or hereafter amended, or the filing of a pleading in any court of record admitting in writing such Person’s inability to generally pay its debts as they become due; (c) the failure of such Person to pay its debts as such debts become due; (d) the making by such Person of a general assignment for the benefit of creditors; (e) the filing by such Person of an answer admitting the material allegations of, or such Person’s consenting to, or defaulting in answering, a Bankruptcy petition filed against him in any Bankruptcy proceeding or petition seeking relief under Title 11 of the United States Code, as now constituted or as hereafter amended; or (f) the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Person as bankrupt or insolvent or for relief in respect of such Person or appointing a trustee or custodian of such Person’s assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive calendar days.

“Board” has the meaning set forth in Section 7.2.

“Business Day” means any calendar day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required to close.

“Canadian Tax Income” or “Canadian Tax Loss”, in respect of any Fiscal Year, means, respectively, the amount of income or loss of the Partnership for such Fiscal Year as determined by the General Partner in accordance with the provisions of the Tax Act.

“Capital Account” has the meaning set forth in Section 3.6

“Capital Contribution” means, with respect to any Partner, the aggregate amount of any cash, cash equivalents or the initial Gross Asset Value of property (other than cash) that a Partner contributes to the Partnership.

“Class A Capital Value” means one dollar (\$1.00), for each Class A Unit issued and outstanding as of the date hereof. Notwithstanding the foregoing, each Class A Unit issued after the date hereof shall have such Class A Capital Value as the Board determines at the time of issuance of such Class A Unit (or one dollar (\$1.00) if no such determination has been made).

“Class A Partner” means a limited partner of the Partnership holding an Economic Interest in Class A Units.

“Class A Units” means a Unit having the rights and obligations specified with respect to a “Class A Unit” in this Agreement.

“Class A Unreturned Capital Value” means, with respect to any Class A Unit at any time, the amount equal to (i) the Class A Capital Value for such Class A Unit, minus (ii) the aggregate amount of all distributions made by the Partnership in respect of such Class A Unit pursuant to Section 4.2(b) prior to such time.

“Code” means the United States Internal Revenue Code of 1986, as amended.

“Control” means, when used with reference to any Person, the power to direct the management or policies of such Person, directly or indirectly, by or through stock or other equity ownership, agency or otherwise, or pursuant to or in connection with an agreement, arrangement or other understanding (written or oral); and the terms “controlling” and “controlled” shall have meanings correlative to the foregoing.

“CSH” means Critical Solutions Holdings, LLC.

“CSH Holders” means CSH and any Person holding Units originally acquired by CSH that were Transferred to such Person in accordance with the provisions of Article IX.

“Delaware Act” means the Delaware Revised Uniform Limited Partnership Act, 6 Del. § 17-101 *et seq.*, as it may be amended from time to time and any successor to the Delaware Act.

“Depreciation” has the meaning set forth in the definition of “Net Income” or “Net Loss” under paragraph (e) therein.

“Distribution” means each distribution after the Effective Date made by the Partnership to a Limited Partner, whether in cash, property or securities of the Partnership, pursuant to, or in respect of, Article IV or Article X.

“Economic Interest” means the right to allocations of items of income, gain, loss, deduction, credit or similar items and the right to Distributions of cash and other property as provided in Article IV and Article X of this Agreement and the Delaware Act, but shall not include any right to participate in the management or affairs of the Partnership, including the right to vote in the election of the Board, vote on, consent to or otherwise participate in any decision of the Partners, or any right to receive information concerning the business and affairs of the Partnership, in each case, except as expressly otherwise provided in this Agreement or required by the Delaware Act.

“Effective Date” has the meaning set forth in the preamble hereto.

“Elective Loan” has the meaning set forth in Section 4.4.

“Equity Securities” means, as applicable, (a) any capital stock, partnership or membership interests or other share capital including Units, (b) any securities directly or indirectly convertible into or exchangeable for any capital stock, partnership or membership interests or other share capital or containing any profit participation features, (c) any rights, warrants or options directly or indirectly to subscribe for or to purchase any capital stock, partnership or membership interests, other share capital or securities containing any profit participation features or to subscribe for or to purchase any securities directly or indirectly convertible into or exchangeable for any capital stock, partnership or membership interests, other share capital or securities containing any profit participation features, (d) any share appreciation rights, phantom share rights or other similar rights, or (e) any Equity Securities issued or issuable with respect to the securities referred to in clauses (a) through (d) above in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization.

“Estimated Tax Amount” of a Partner for a Fiscal Year means the Partner’s Tax Amount for such Fiscal Year as estimated in good faith from time to time by the Board. In making such estimate, the Board shall take into account amounts shown on Internal Revenue Service Form 1065 filed by the Partnership and similar state and local forms filed by the Partnership for the preceding taxable year and such other adjustments as in the reasonable business judgment of the Board are necessary or appropriate to reflect the estimated operations of the Partnership for the Fiscal Year.

“Excess Amount” has the meaning set forth in Section 4.3.

“Excess Retained Funds” has the meaning set forth in Section 10.3.

“Fair Market Value” means, with respect to any asset or securities, the fair market value for such assets or securities as between a willing buyer and a willing seller in an arm’s-length transaction occurring on the date of valuation, taking into account all relevant factors determinative of value, as reasonably determined by the Board in good faith.

“Family Group” means for any individual, such individual’s current or former spouse, their respective parents, descendants of such parents (whether natural or adopted) and the

spouses of such descendants, and any trust, limited partnership, corporation or limited liability company controlled by such individual and established solely for the benefit of such individual or such individual's current or former spouse, their respective parents, descendants of such parents (whether natural or adopted) or the spouses of such descendants.

“Federal” means the federal government of the United States.

“Fiscal Year” means the fiscal year of the Partnership and its Subsidiaries, ending on December 31 of each calendar year, or such other period as is permitted under Section 706 of the Code and the Regulations thereunder.

“GAAP” means accounting principles generally accepted in the United States of America as in effect from time to time, consistently applied throughout the applicable periods both as to classification of items and amounts.

“General Partner” means AirBoss Defense Group GP, Inc., a Delaware corporation, and any successor to such Person approved by the Majority AirBoss Holders and the Majority CSH Holders.

“General Partner Unit” means a Unit held by the General Partner and having the rights and obligations specified with respect to a “General Partner Unit” in this Agreement.

“Governmental Entity” means Canada, the United States of America or any other nation, any state, provincial, municipal or other political subdivision thereof, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of government, including any court, in each case, having jurisdiction over the Partnership or any of its Subsidiaries or any of the property or other assets of the Partnership or any of its Subsidiaries.

“Gross Asset Value” means, with respect to any asset, the asset's adjusted basis for U.S. federal income tax purposes, except as follows:

(a) the initial Gross Asset Value of any asset (other than cash) contributed by a Limited Partner to the Partnership shall be the gross Fair Market Value of such asset on the date of the contribution;

(b) the Gross Asset Values of all Partnership assets shall be adjusted to equal their respective gross Fair Market Values, taking into account 7701(g) of the Code, as of the following times:

(i) the acquisition of an additional interest in the Partnership after the Effective Date by a new or existing Limited Partner in exchange for more than a *de minimis* Capital Contribution, to the extent the Board reasonably determines that such adjustment is necessary or appropriate to reflect the relative Economic Interests of the Limited Partners in the Partnership;

(ii) the grant of an interest in the Partnership (other than a *de minimis* interest) as consideration for the provision of services to or for the benefit of the Partnership by an existing or a new Partner acting in a “partner capacity,” or in anticipation of becoming a “partner” (in each case within the meaning of

Regulations Section 1.704-1(b)(2)(iv)(f)(5)(iii)) to the extent the Board reasonably determines that such adjustment is necessary or appropriate to reflect the relative Economic Interests of the Limited Partners in the Partnership;

(iii) the Distribution by the Partnership to a Limited Partner of more than a *de minimis* amount of Partnership property (other than cash) as consideration for all or part of its Units in the Partnership, to the extent the Board reasonably determines that such adjustment is necessary or appropriate to reflect the relative Economic Interests of the Limited Partners in the Partnership; and

(iv) the liquidation of the Partnership within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g);

(c) the Gross Asset Value of any Partnership asset distributed to a Limited Partner shall be adjusted immediately prior to such Distribution to equal the gross Fair Market Value, taking into account 7701(g) of the Code, of such asset on the date of Distribution;

(d) the Gross Asset Values of Partnership assets shall be increased (or decreased, as the case may be) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent that the Board reasonably determines that an adjustment pursuant to subparagraph (b) or (c) of this definition of Gross Asset Value is made in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d); and

(e) with respect to any asset that has a Gross Asset Value that differs from its adjusted tax basis, the Gross Asset Value of such asset shall be adjusted by the amount of Depreciation rather than any other depreciation, amortization or other cost recovery method for purpose of computing Net Income and Net Loss.

“HSR Act” has the meaning set forth in Section 10.7.

“Income” means individual items of Partnership income and gain determined in accordance with the definitions of Net Income and Net Loss.

“Indemnifying Partner” has the meaning set forth in Section 4.5.

“Initial Public Offering” has the meaning set forth in Section 11.2(a).

“IRS” means the Internal Revenue Service.

“Limited Partner” means a Limited Partner identified on the Schedule of Partners as of the Effective Date, or an Additional Partner or an Assignee who is admitted as a Limited Partner in accordance with the terms of this Agreement and the Delaware Act for so long as such Person continues to hold an Economic Interest in any of the Units.

“Loss” means individual items of Partnership loss and deduction determined in accordance with the definitions of Net Income and Net Loss.

“Majority AirBoss Holders” means, at any time, the holders of a majority of the Units then held by the AirBoss Holders.

“Majority CSH Holders” means, at any time, the holders of a majority of the Units then held by the CSH Holders.

“Majority In Voting Interest” means, at any time, a Partner or Partners that holds Voting Units then representing a majority of the votes of all of the Voting Units outstanding at such time.

“Majority Of The Board” means, at any time, a combination of any of the then Directors constituting a majority of the votes of all of the Directors who are then elected and qualified.

“Management Subscription Agreements” means any and all of the subscription agreements, contribution agreements, grant agreements or other similar agreements pursuant to which the Partnership may issue any Partnership Interests to any of its, or any of its Subsidiaries’ officers, directors or employees on or after the date hereof.

“Net Income” or “Net Loss” means, for each Fiscal Year or other period, an amount equal to the Partnership’s taxable income or loss for such Fiscal Year or other period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in such taxable income or loss), with the following adjustments:

(a) the computation of all items of income, gain, loss and deduction shall include tax-exempt income and those items described in Treasury Regulation Section 1.704-1(b)(2)(iv)(i), without regard to the fact that such items are not includable in gross income or are not deductible for U.S. federal income tax purposes;

(b) any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition of Net Income or Net Loss shall be subtracted from such taxable income or loss;

(c) in the event the Gross Asset Value of any Partnership asset is adjusted pursuant to subparagraph (b) or (c) of the definition of Gross Asset Value, the amount of such adjustment shall be taken into account as gain (if the adjustment increases the Gross Asset Value of the asset) or loss (if the adjustment decreases the Gross Asset Value of the asset) from the disposition of such asset for purposes of computing Net Income or Net Loss;

(d) gain or loss resulting from any disposition of any asset of the Partnership with respect to which gain or loss is recognized for U.S. federal income tax purposes shall be computed by reference to the Gross Asset Value of the asset disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(e) in lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, with respect to a Partnership asset having a Gross Asset Value that differs from its adjusted basis for tax purposes, “Depreciation” with respect to such asset shall be computed by reference to the asset’s Gross Asset Value in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g); and

(f) to the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) to be taken into account in determining Capital Accounts as a result of a Distribution other than in liquidation of a Limited Partner’s interest in the Partnership, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Income or Net Loss.

Notwithstanding any other provisions hereof, any item of income, gain, loss or deduction which is specially allocated pursuant to Section 5.2 shall not be taken into account for purposes of computing Net Income or Net Loss. The amounts of the items of Partnership income, gain, loss, or deduction available to be specially allocated pursuant to Section 5.2 shall be determined by applying rules analogous to those set forth in subparagraphs (a) through (f) above.

“Newco” has the meaning set forth in Section 11.2(a).

“Nonrecourse Deductions” has the meaning set forth in Treasury Regulation Section 1.704-2(b)(1).

“Notice” has the meaning set forth in Section 8.5(a).

“Officers” has the meaning set forth in Section 7.3.

“Over-Distributed Limited Partner” has the meaning set forth in Section 10.3.

“Over-Returning Limited Partner” has the meaning set forth in Section 10.3.

“Partner” means the General Partner and, each other Person listed as a Limited Partner on the Schedule of Partners attached hereto, and each other Person who is hereafter admitted as a Partner in accordance with the terms of this Agreement and the Delaware Act; in each case so long as each such Person continues to own a Partnership Interest. Except as otherwise set forth herein or in the Delaware Act, the Partners shall constitute a single class or group of members of the Partnership for all purposes of the Delaware Act and this Agreement.

“Partner Minimum Gain” means minimum gain attributable to Partner Nonrecourse Debt determined in accordance with Regulations Section 1.704-2(i).

“Partner Nonrecourse Debt” has the meaning set forth for the term “partner nonrecourse debt” in Regulations Section 1.704-2(b)(4).

“Partners Schedule” has the meaning set forth in Section 3.1.

“Partnership” has the meaning set forth in the preamble.

“Partnership Interest” means, with respect to each Partner, such Partner’s Economic Interest and rights as a Partner.

“Partnership Minimum Gain” has the meaning set forth for the term “partnership minimum gain” in Regulations Section 1.704-2(b)(2).

“Partnership Tax Audit Rules” means Sections 6221 through 6241 of the Code, as amended by the Bipartisan Budget Act of 2015, together with any guidance issued thereunder or successor provisions and any similar provision of state or local tax laws.

“Permitted Transfer” has the meaning set forth in Section 9.5.

“Permitted Transferee” has the meaning set forth in Section 9.5.

“Person” means an individual, a partnership (including a limited partnership), a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or other entity or a Governmental Entity.

“Quarterly Estimated Tax Amount” of a Partner for any calendar quarter of a Fiscal Year means the excess, if any of (i) the product of (A)  $\frac{1}{4}$  in the case of the first calendar quarter of the Fiscal Year,  $\frac{1}{2}$  in the case of the second calendar quarter of the Fiscal Year,  $\frac{3}{4}$  in the case of the third calendar quarter of the Fiscal Year, and 1 in the case of the fourth calendar quarter of the Fiscal Year and (B) the Partner’s Estimated Tax Amount for such Fiscal Year over (ii) all Distributions previously made with respect to such Fiscal Year to such Partner.

“Regulations” means the regulations, including temporary regulations, promulgated by the United States Treasury Department under the Code, as amended.

“Regulatory Allocations” has the meaning set forth in Section 5.2(f).

“SEC” means the United States Securities and Exchange Commission.

“Securities Act” means the United States Securities Act of 1933 and applicable rules and regulations thereunder. Any reference herein to a specific section, rule or regulation of the Securities Act shall be deemed to include any corresponding provisions of future law.

“Securityholders Agreement” means that certain Securityholders Agreement dated as of the date hereof by and among the Partnership and the Partners of the Partnership party thereto, as such agreement may be amended, restated or otherwise modified from time to time.

“Shortfall Amount” has the meaning set forth in Section 4.3.

“State” means any state within the United States or the District of Columbia.

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association or business entity of which (a) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other

Subsidiaries of that Person or a combination thereof, or (b) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity (other than a corporation) if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any managing member, general partner or analogous controlling Person of such limited liability company, partnership, association or other business entity. For purposes hereof, references to a “Subsidiary” of any Person shall be given effect only at such times that such Person has one or more Subsidiaries and, unless otherwise indicated, the term “Subsidiary” refers to a Subsidiary of the Partnership.

“Substituted Partner” means any Person that has been admitted to the Partnership as a Partner pursuant to Section 9.4 by virtue of such Person’s (a) receiving all or a portion of a Partnership Interest from a Partner or its Assignee (and not from the Partnership) and (b) having complied with the requirements of Section 9.4.

“Successor in Interest” means any (a) trustee, custodian, receiver or other Person acting in any Bankruptcy or reorganization proceeding with respect to, (b) assignee for the benefit of the creditors of, (c) trustee or receiver, or current or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of, or (d) other Transferee, executor, administrator, committee, legal representative or other successor or assign of, any Limited Partner, whether by operation of law or otherwise (including any Person acquiring (whether by merger, consolidation, sale, exchange or otherwise) all or substantially all of the assets or Equity Securities of the Partnership and its Subsidiaries).

“Tax Act” means the *Income Tax Act* (Canada).

“Tax Advances” means any Distributions made by the Partnership pursuant to Section 4.3.

“Tax Amount” of a Partner for a Fiscal Year means the product of (A) the Tax Rate for such Fiscal Year and (B) the Adjusted Taxable Income of the Partner for such Fiscal Year with respect to its Units.

“Tax Matters Partner” has the meaning set forth in Section 8.1.

“Tax Rate” of a Partner for any period means the highest marginal blended U.S. federal, state and local income tax rate (including Code Section 1411) applicable for such period to an individual or corporation residing in New York, New York, taking into account for U.S. federal income tax purposes, the deductibility of state and local taxes.

“Taxable Year” means the Partnership’s taxable year ending on or about December 31 (or part thereof in the case of the Partnership’s first and last taxable year), or such other year as is required by Section 706 of the Code.

“Third Party” means any Person other than the Partnership or its Subsidiaries.

“Transfer” means any sale, transfer, assignment, pledge, mortgage, exchange, hypothecation, grant of a security interest or other direct or indirect disposition or encumbrance of an interest (whether with or without consideration, whether voluntarily or involuntarily or by operation of law). The terms “Transferee,” “Transferor,” “Transferred,” and other forms of the word “Transfer” shall have the correlative meanings.

“Treasury Regulations” means the final or temporary regulations that have been issued by the U.S. Department of Treasury pursuant to its authority under the Code, and any successor regulations.

“Unit” means a unit representing a fractional part of the Partnership Interests of all of the Partners and shall include all types and classes and/or series of Units; provided that any type or class or series of Unit shall have the designations, preferences and/or special rights set forth in this Agreement and the Partnership Interests represented by such type or class or series of Unit shall be determined in accordance with such designations, preferences and/or special rights.

“Voting Units” means the Class A Units and any other class or series of Units which the Board designates as “Voting Units” under this Agreement from time to time.

1.2 Interpretative Matters. In this Agreement, unless otherwise specified or where the context otherwise requires:

- (a) the headings of particular provisions of this Agreement are inserted for convenience only and will not be construed as a part of this Agreement or serve as a limitation or expansion on the scope of any term or provision of this Agreement;
- (b) words importing any gender shall include other genders;
- (c) words importing the singular only shall include the plural and vice versa;
- (d) the words “include,” “includes” or “including” shall be deemed to be followed by the words “without limitation”;
- (e) the words “hereof,” “herein” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement;
- (f) references to “Articles,” “Exhibits,” “Sections” or “Schedules” shall be to Articles, Exhibits, Sections or Schedules of or to this Agreement;
- (g) references to any Person include the successors and permitted assigns of such Person;
- (h) the use of the words “or,” “either” and “any” shall not be exclusive;
- (i) wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict;

(j) references to “\$” or “dollars” means the lawful currency of the United States of America;

(k) references to any agreement, contract or schedule, unless otherwise stated, are to such agreement, contract or schedule as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof; and

(l) the parties hereto have participated jointly in the negotiation and drafting of this Agreement; accordingly, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party hereto by virtue of the authorship of any provisions of this Agreement.

## ARTICLE II

### ORGANIZATIONAL MATTERS

2.1 Formation of the Partnership. The General Partner formed the Partnership pursuant to a Certificate of Limited Partnership dated April 30, 2019. The term of the Partnership commenced upon the filing of the Certificate of Limited Partnership with the Secretary of State of the State of Delaware and shall continue until the dissolution and termination of the Partnership in accordance with the provisions of Article X hereof.

2.2 Effect of Partnership Agreement. The Partners hereby execute this Agreement for the purpose of establishing and continuing the affairs of the Partnership and the conduct of its business in accordance with the provisions of the Delaware Act. The Partners hereby agree that during the term of the Partnership, the rights and obligations of the Partners with respect to the Partnership will be determined in accordance with the terms and conditions of this Agreement and the Delaware Act. To the extent that the rights, powers, duties, obligations and liabilities of any Partners are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement shall, to the extent permitted by the Delaware Act, control.

2.3 Name. The name of the Partnership shall be “AirBoss Defense Group, L.P.” or such other name or names as the Board may designate from time to time. The Board shall promptly notify each Limited Partner in writing of any change in the Partnership’s name.

2.4 Powers; Purposes.

(a) General Powers. The Partnership shall have all of the powers of a Delaware limited partnership, including the power to engage in any lawful act or activity for which limited partnerships may be organized under the Delaware Act.

(b) Purposes. The nature of the business to be conducted or promoted by the Partnership is to acquire, own, operate, finance and/or dispose of Critical Solutions International, Inc., a Texas corporation, and any Subsidiaries thereof. The Partnership may engage in any and all activities necessary, desirable or incidental to the accomplishment of the foregoing.

(c) Limitation. Notwithstanding anything herein to the contrary, nothing set forth herein shall be construed as authorizing the Partnership to possess any purpose or power, or to do any act or thing, forbidden by law to a limited partnership organized under the laws of the State of Delaware.

(d) Partnership Action. Subject to compliance by the General Partner with the provisions of this Agreement and except as prohibited by applicable law, (i) the Partnership may, upon approval by the Board, enter into and perform any and all documents, agreements and instruments, all without any further act, vote or approval of any Partner, and (ii) the Board may authorize any Person (including any Partner or its or their officers) to enter into and perform any documents on behalf of the Partnership.

2.5 Principal Office; Registered Office. The Partnership shall maintain an office and principal place of business at c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808 or at such other place or places in the United States as the Board may from time to time designate. The Board shall promptly notify each Limited Partner in writing of any change to the Partnership's principal place of business.

2.6 Term. The term of the Partnership commenced on the date the Certificate was filed with the office of the Secretary of State of the State of Delaware and shall continue in existence perpetually until the termination or dissolution in accordance with the provisions of Article X.

2.7 Foreign Qualification. The General Partner shall cause to be taken all actions as may be reasonably necessary to perfect and maintain the status of the Partnership as a limited partnership or similar type of entity under the laws of any other jurisdictions in which the Partnership engages in business.

2.8 Partnership Status. The Partners intend that the Partnership not be a joint venture, and that no Partner be a joint venturer of any other Partner by virtue of this Agreement for any purpose, and neither this Agreement nor any other document entered into by the Partners relating to the subject matter hereof shall be construed to suggest otherwise. The Partners intend that the Partnership shall be treated as a partnership for Canadian federal and provincial, and U.S. federal and, if applicable, state or local and foreign income tax purposes, and each Partner and the Partnership shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

### **ARTICLE III**

#### **ADMISSION OF PARTNERS; CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS**

3.1 Units Generally. The Partnership Interests of the Partners shall be represented by issued and outstanding Units (which shall not be certificated), which may be divided into one or more types, classes or series, with each type, class or series having the rights and privileges, including voting rights, if any, set forth in this Agreement. The General Partner shall maintain a schedule of all Partners from time to time setting forth the Units held by them (as the same may be amended, modified or supplemented from time to time, the "Partners Schedule"), a copy of

which as of the date of execution of this Agreement is attached hereto as Schedule B. The ownership by a Limited Partner of Units shall invest such Limited Partner with the Economic Interest therein (except to the extent Transferred to an Assignee as permitted by this Agreement) and the governance rights set forth in this Agreement. For purposes of this Agreement, Units held by the Partnership or any of its Subsidiaries shall be deemed not to be outstanding. Ownership of a Unit (or a fraction thereof) shall not entitle a Partner to call for a partition or division of any property of the Partnership or for any accounting.

### 3.2 Authorization and Issuance of Units.

(a) Class A Units. The Partnership is hereby authorized to issue an unlimited number of Class A Units.

(b) General Partner Unit. The General Partner, in its capacity as the general partner of the Partnership, shall hold a General Partner Unit in the Partnership with the terms and conditions expressly provided for in this Agreement. The General Partner shall have the right to receive distributions in respect of the General Partner Unit only as expressly provided for in this Agreement.

(c) Other Units. In addition to Class A Units, the Partnership is hereby authorized to issue other classes and series of Units. With respect to such other classes and series of Units, subject to the provisions of the Securityholders Agreement, the Board, with the consent of the Majority AirBoss Holders (provided that the AirBoss Holders hold, in aggregate, at least 20% of the outstanding Class A Units at such time) and Majority CSH Holders (provided that the CSH Holders hold, in aggregate, at least 20% of the outstanding Class A Units at such time), is hereby authorized to provide for the issuance of such Units in any class or series by amending this Agreement to reflect such issuance and to establish the Units to be included in each such class or series, and to fix the relative rights, obligations, preferences and limitations of the Units of each such class or series.

(d) Additional Units. Except as expressly provided by this Agreement, the Partnership shall not authorize, issue or sell, or cause to be authorized, issued or sold, any Units.

3.3 Issuance of Units. Subject to the limitations contained in Article 9 and in the Securityholders Agreement, the Board shall have the right to cause the Partnership to issue any authorized but unissued Units; provided that the Partnership shall not issue any Units to any Person unless such Person has executed and delivered to the Partnership the documents described in Section 3.4. Upon the issuance of Units, the Partnership shall adjust the Capital Accounts of the Partners as necessary in accordance with Section 3.6.

3.4 New Partners from the Issuance of Units. In order for a Person to be admitted as a Partner of the Partnership pursuant to the issuance of Units to such Person, such Person shall have executed and delivered to the Partnership a joinder agreement substantially in the form of Exhibit A hereto to be bound by the terms and conditions of this Agreement. Upon the amendment of the Partners Schedule by the Partnership and the satisfaction of any other

applicable conditions, including, if a condition, the receipt by the Partnership of payment for the issuance of the applicable Units, such Person shall be admitted as a Partner and deemed listed as such on the books and records of the Partnership and thereupon shall be issued such Partner's Units. The Partnership shall also adjust the Capital Accounts of the Partners as necessary in accordance with Section 3.6.

### 3.5 Capital Contributions.

(a) Contemporaneously with the execution of this Agreement, each Limited Partner has made a Capital Contribution giving rise to such Partner's initial Capital Account (as herein defined) and is deemed to own the number, type, series and class of Units, in each case, in the amounts set forth opposite such Partner's name on the Partners Schedule as in effect on the date hereof.

(b) No Partner shall make or be required to make any additional contributions to the Partnership with respect to such Partner's Units. Except as expressly provided for herein, no Partner, in such Partner's capacity as a Partner, shall have the right to receive any cash or any other property from the Partnership.

### 3.6 Capital Accounts.

#### (a) Maintenance Rules.

(i) The Partnership shall maintain a separate capital account for each Limited Partner according to the rules of Regulations Section 1.704-1(b)(2)(iv) (each a "Capital Account"). The Capital Account of each Limited Partner shall be credited initially with an amount equal to such Limited Partner's initial Capital Contribution described in Section 3.5(a).

(ii) The Capital Account of each Limited Partner shall (i) be credited with (A) all Income allocated to such Limited Partner pursuant to Section 5.1 and Section 5.2, (B) an amount equal to Capital Contributions made by such Limited Partner following the Effective Date, and (C) the amount of any Partnership liabilities that are assumed by such Limited Partner or that are secured by any Partnership assets distributed to such Limited Partner, and (ii) be debited with (A) all Loss allocated to such Limited Partner pursuant to Section 5.1 and Section 5.2, (B) with the amount of cash and the Gross Asset Value of any property (other than cash) (net of liabilities assumed by such Limited Partner and liabilities to which such property is subject) distributed by the Partnership to such Limited Partner, and (C) the amount of any liabilities of such Limited Partner that are assumed by the Partnership or that are secured by any property contributed by such Limited Partner to the Partnership.

(iii) The Partnership may, upon the occurrence of the events specified in Regulations Section 1.704-1(b)(2)(iv)(f), increase or decrease the Capital Accounts of the Limited Partners in accordance with the rules of such Regulations and Regulations Section 1.704-1(b)(2)(iv)(g) to reflect a revaluation of Partnership property.

(iv) If all or any portion of a Unit is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Unit (or portion thereof).

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulations. If the Board determines that it is prudent to modify the manner in which the Capital Accounts or any increases or decreases to the Capital Accounts are computed in order to comply with such Regulations, the Board may authorize such modifications

(b) No Partner shall receive any interest, salary, or drawing with respect to its Capital Contributions or its Capital Account or otherwise in its capacity as a Partner.

3.7 Negative Capital Accounts. No Limited Partner shall be required to pay to any other Limited Partner, the Partnership, or any creditor to restore any deficit or negative balance that may exist from time to time in such Limited Partner's Capital Account (including upon and after dissolution of the Partnership).

3.8 No Withdrawal. No Partner shall or be entitled to withdraw any part of such Partner's Capital Contributions or Capital Account or to receive any Distribution from the Partnership, except as expressly provided herein.

3.9 Loans From Limited Partners. Loans by Limited Partners to the Partnership shall not be considered Capital Contributions. If any Limited Partner shall loan funds to the Partnership, then the making of such loans shall not result in any increase in the Capital Account balance of such Limited Partner. The amount of any such loans shall be a debt of the Partnership to such Limited Partner and shall be payable or collectible in accordance with the terms and conditions upon which such loans are made.

3.10 No Right of Partition. No Limited Partner shall have the right to seek or obtain partition by court decree or operation of law of any property of the Partnership or any of its Subsidiaries or the right to own or use particular or individual assets of the Partnership or any of its Subsidiaries, or, except as expressly contemplated by this Agreement, be entitled to Distributions of specific assets of the Partnership or any of its Subsidiaries.

3.11 Status of Capital Contributions.

(a) No Partner shall receive any interest, salary or drawing with respect to its Capital Contributions or its Capital Account, except as otherwise specifically provided in this Agreement.

(b) Except as otherwise provided herein, no Partner shall be required to lend any funds to the Partnership or to make any additional Capital Contributions to the Partnership. No Partner shall have any personal liability for the repayment of any Capital Contribution of any other Partner.

3.12 Non-Certification of Units; Legend; Units Are Securities. Units shall be issued in non-certificated form; provided that the Partnership may issue certificates to a Limited Partner representing the Units held by such Limited Partner. In addition to any legend required by the Securityholders Agreement, if any Unit certificate is issued, then such certificate shall bear a legend substantially in the following form:

THIS CERTIFICATE EVIDENCES A UNIT REPRESENTING AN INTEREST IN AIRBOSS DEFENSE GROUP, L.P.

THE INTEREST IN AIRBOSS DEFENSE GROUP, L.P. REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO RESTRICTIONS ON TRANSFER SET FORTH IN THAT CERTAIN AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF AIRBOSS DEFENSE GROUP, L.P., DATED AS OF [\_\_\_\_], 2019 BY AND AMONG AIRBOSS DEFENSE GROUP GP, INC., AS GENERAL PARTNER, AND EACH OF THE LIMITED PARTNERS FROM TIME TO TIME PARTY THERETO, AS THE SAME MAY BE AMENDED FROM TIME TO TIME.

## ARTICLE IV

### DISTRIBUTIONS

#### 4.1 Generally.

(a) Subject to Sections 4.2, 4.3, and 4.5, the Board shall have sole discretion over the amounts and timing of distributions to the General Partner and Limited Partners, in each case subject to the retention and establishment of reserves of, or payment to Third Parties of, such funds as it deems necessary with respect to the reasonable business needs of the Partnership, which shall include the payment or the making of provision for the payment when due of the Partnership's obligations, including the payment of any management or administrative fees and expenses or any other obligations.

(b) Notwithstanding any provision to the contrary contained in this Agreement, the Partnership shall not make any distribution to the Partners if such distribution would violate Section 17-607 of the Delaware Act or other applicable law .

4.2 Discretionary Distributions. Subject to Section 4.3, available cash or other assets (taking such other assets into account at their Fair Market Value at the time of distribution) shall be distributed, at such times and in such amounts as the Board determines in its sole discretion, in the following order and priority:

(a) First, as to 0.0001% to the General Partner as holder of the General Partner Unit (to an annual maximum aggregate amount of \$1,000);

(b) Second, to each holder of Class A Units, in proportion to and to the extent of the Class A Unreturned Capital Value for such Class A Units owned by each such holder as of immediately prior to such distribution; and

(c) *Third*, to each holder of Class A Units, in proportion to the aggregate number of Class A Units owned by each such holder as of immediately prior to such distribution.

4.3 Tax Advances. Subject to the restrictions of any of the Partnership's and/or its Subsidiaries' then applicable debt financing agreements and subject to the retention of any other amounts necessary to satisfy the Partnership's and/or the Subsidiaries' obligations, at least five (5) days before each date prescribed by the Code for a calendar year corporation to pay quarterly installments of estimated tax, the Partnership shall use commercially reasonable efforts to distribute to each Partner cash in proportion to and to the extent of such Partner's Quarterly Estimated Tax Amount for the applicable calendar quarter. If, at any time after the final Quarterly Estimated Tax Amount has been distributed pursuant to the previous sentence with respect to any Fiscal Year, the aggregate Tax Advances to any Partner with respect to such Fiscal Year are less than such Partner's Tax Amount for such Fiscal Year (a "Shortfall Amount"), the Partnership shall use commercially reasonable efforts to distribute cash in proportion to and to the extent of each Partner's Shortfall Amount. The Partnership shall use commercially reasonable efforts to distribute Shortfall Amounts with respect to a Fiscal Year before the 75th day of the next succeeding Fiscal Year (provided that if the Partnership has made distributions other than pursuant to this Section 4.3, the Partnership may apply such distributions to reduce any Shortfall Amount). If the aggregate distributions made to any Partner pursuant to this Section 4.3 for any Fiscal Year exceed such Partner's Tax Amount (an "Excess Amount"), such Excess Amount shall reduce subsequent distributions that would be made to such Partner pursuant to this Section 4.3. Distributions made pursuant to this Section 4.3 shall be taken into account as advances on distributions otherwise payable pursuant to Section 4.2. No Partner shall be liable to the Partnership for any amount distributed to it pursuant to and in accordance with this Section 4.3, or for any interest on such amount.

#### 4.4 Elective Loans.

(a) In the event the Board determines to make a distribution pursuant to Section 4.2, each Limited Partner may, by delivering written notice to the Board, choose to be loaned an amount from the Partnership equal to the portion of the contemplated distribution that would otherwise be received as a distribution by such Limited Partner based upon such Limited Partner's proportionate entitlement to distributions under Section 4.2. Upon receipt of such notice from a Limited Partner, the Board shall defer such distribution and shall instead advance the amount of the distribution to the Limited Partner or an Affiliate thereof (as designated in writing by the Limited Partner) as a non-interest bearing demand loan (an "Elective Loan"). Each of the Elective Loans advanced pursuant to this Section 4.4 will be repaid to the Partnership within twelve (12) months of the date of the making of the loan (but in any event prior to the consummation of a Sale of the Company, as defined in the Securityholders Agreement) and may, in the reasonable discretion of the Board: (i) in the case of an Elective Loan to a Limited Partner, be repaid by way of set-off against the distribution that otherwise would have been made by the Partnership to the relevant Limited Partner at the time the applicable Elective Loan was issued; or (ii) in the case of an Elective Loan to an Affiliate of a Limited Partner, be distributed by the Partnership to the Limited Partner that is the Affiliate of the recipient of the Elective Loan in satisfaction of the distribution that

otherwise would have been made by the Partnership to the relevant Limited Partner at the time the applicable Elective Loan was issued.

(b) Notwithstanding the above provisions, the amount of any Elective Loan advanced pursuant to this Section 4.4 shall be deemed to have been distributed to the relevant Limited Partner solely for the purposes of Section 4.2 at the time of the advance of such Elective Loan; provided that any Limited Partner whose Affiliate receives an Elective Loan shall be entitled to receive (i) a distribution of the Elective Loan pursuant to Section 4.4(a); or (ii) if the Affiliate repays such loan in cash, a distribution of such cash upon repayment of such Elective Loan.

4.5 Indemnification and Reimbursement for Payments on Behalf of a Partner. Except as otherwise provided in this Agreement, if the Partnership is required by law (as determined by the Board), or the Board otherwise determines in its reasonable discretion that it is in the best interests of the Partners, to make any payment to a Governmental Entity on behalf of a Partner in his, her or its capacity as such (including in respect of any income taxes, withholding taxes, personal property taxes, and unincorporated business taxes, “imputed underpayment” under Section 6335 of the Code, etc.), then such Partner (the “Indemnifying Partner”) will indemnify the Partnership in full for the entire amount paid, including interest, penalties and expenses associated with such payment; provided, that the Partnership shall use commercially reasonable efforts to provide written notice of such payment to the Indemnifying Partner prior to making such payment and, in any event, will promptly provide written notice of such payment to the Indemnifying Partner after making such payment. At the option of the Board, the amount to be indemnified may be charged against a Capital Account of the Indemnifying Partner, and, at the option of the Board, either:

(a) promptly upon notification of an obligation to indemnify the Partnership pursuant to this Section 4.5, the Indemnifying Partner will make a cash payment to the Partnership in an amount equal to the full amount to be indemnified (and the amount paid will be added to the Indemnifying Partner’s Capital Account but will not be deemed to be a Capital Contribution), or

(b) the Partnership will reduce distributions which would otherwise be made to the Indemnifying Partner until the Partnership has recovered the amount to be indemnified (and the amount of such reduction will be deemed to have been distributed for all purposes, but such deemed distribution will not further reduce the Indemnifying Partner’s Capital Account).

A Partner’s obligation to make contributions to the Partnership under this Section 4.5 shall survive the termination, dissolution, liquidation and winding up of the Partnership, and for purposes of this Section 4.5, the Partnership shall be treated as continuing in existence. The Partnership may pursue and enforce all rights and remedies it may have against each Partner under this Section 4.5, including instituting a lawsuit to collect such contribution with interest calculated at a rate equal to the Partnership’s and its subsidiaries’ effective cost of borrowed funds.

## ARTICLE V

### DETERMINATION AND ALLOCATION OF NET INCOME OR LOSS

5.1 Allocations. Except as otherwise provided in, and after giving effect to, Section 5.2, Net Income and Net Loss (and, if necessary, individual items of Income and Loss) shall be allocated annually (and at such other times as the Board determines) to the Limited Partners in such manner that the positive Capital Account balance of each Limited Partner shall, to the greatest extent possible, be equal to the amount that would be distributed to such Limited Partner (after satisfaction of any financial obligations of each Limited Partner to the Partnership under any provisions of this Agreement), if (i) the Partnership were to sell the assets of the Partnership in an Approved Sale (as defined in the Securityholders Agreement) for their respective Gross Asset Values, (ii) all Partnership liabilities were satisfied in accordance with their terms (limited with respect to each nonrecourse liability to the Gross Asset Values of the assets securing such liability), (iii) the Partnership were to distribute the remaining proceeds of sale pursuant to Section 4.2 or liquidation pursuant to Section 10.2 as of the last day of the year and (iv) the Partnership were to dissolve pursuant to Article X.

#### 5.2 Special Allocations.

(a) Loss attributable to Partner Nonrecourse Debt shall be allocated in the manner required by Regulations Section 1.704-2(i). If there is a net decrease during a taxable year in Partner Minimum Gain, Income for such taxable year (and, if necessary, for subsequent taxable years) shall be allocated to the Limited Partners in the amounts and of such character as is determined according to Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.2(a) is intended to be a “partner nonrecourse debt minimum gain chargeback” provision that complies with the requirements of Regulations Section 1.704-2(i)(4), and shall be interpreted in a manner consistent therewith.

(b) Except as otherwise provided in Section 5.2(a), if there is a net decrease in Partnership Minimum Gain (determined according to Treasury Regulation Section 1.704-2(d)(1)) during any Taxable Year, each Limited Partner shall be specially allocated Income for such taxable year (and, if necessary, for subsequent taxable years) in an amount equal to such Partner’s share of the net decrease in Partnership Minimum Gain, determined in accordance with Treasury Regulation Section 1.704-2(g). The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(f) and 1.704-2(j)(2). This Section 5.2(b) is intended to be a “minimum gain chargeback” provision that complies with the requirements of Regulations Section 1.704-2(f), and shall be interpreted in a manner consistent therewith.

(c) Partnership Nonrecourse Deductions shall be allocated in the manner required by Treasury Regulation Section 1.704-2(i). Except as otherwise provided in Treasury Regulation Section 1.704-2(i)(4), if there is a net decrease in Partner Minimum Gain during any Taxable Year, each Partner that has a share of such Partner Minimum Gain shall be specially allocated Profits for such Taxable Year (and, if necessary, subsequent Taxable Years) in an amount equal to that Partner's share of the net decrease in Partner Minimum Gain. Items to be allocated pursuant to this paragraph shall be determined in accordance with Treasury Regulation Section 1.704-2(i)(4) and 1.704-2(j)(2). This paragraph is intended to comply with the minimum gain chargeback requirements in Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(d) If any Partner unexpectedly receives an adjustment, allocation or distribution described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) or has an Adjusted Capital Account Deficit as of the end of any taxable year, then Income for such taxable year shall be allocated to such Limited Partner in an amount and manner sufficient to eliminate such Adjusted Capital Account Deficit created by such adjustments, allocations or distributions as quickly as possible; provided, that allocations made pursuant to this Section 5.2(d) shall be made only if such Limited Partner would have had an Adjusted Capital Account Deficit after all other allocations pursuant to this Section 5.2(d) had been made as though this Section 5.2(d) were not in this Agreement. This Section 5.2(d) is intended to be a "qualified income offset" provision as described in Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent therewith.

(e) In the event any Limited Partner has a deficit Capital Account at the end of any taxable year that is in excess of the sum of (i) the amount such Limited Partner is obligated to restore pursuant to any provision of this Agreement and (ii) the amount such Limited Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Limited Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; provided that an allocation pursuant to this Section 5.2(e) shall be made only if and to the extent that such Limited Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Section 5.2(e) have been made as if Section 5.2(d) and this Section 5.2(e) were not in the Agreement.

(f) To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or 743(b) is required to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated, as provided in Regulations Section 1.704-1(b)(2)(iv)(m), as an item of Income (if the adjustment increases the basis of the asset) or Loss (if the adjustment decreases such basis) and such Income or Loss shall be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

The allocations set forth in Section 5.2(a) through Section 5.2(e) inclusive (the “Regulatory Allocations”) are intended to comply with certain requirements of the Treasury Regulations under Code Section 704. The Regulatory Allocations may not be consistent with the manner in which the Limited Partners intend to allocate Income and Loss of the Partnership or to make Distributions. Accordingly, notwithstanding the other provisions of Sections 5.1 and 5.2, but subject to the Regulatory Allocations, items of Income and Loss of the Partnership shall be allocated among the Limited Partners so as to eliminate the effect of the Regulatory Allocations and thereby cause the respective Capital Account balances of the Limited Partners to be in the amounts (or as close thereto as possible) they would have been if Income and Loss had been allocated without reference to the Regulatory Allocations. In general, the Limited Partners anticipate that this shall be accomplished by specially allocating other Income and Loss among the Limited Partners so that, to the extent possible, the net amount of Regulatory Allocations and such special allocations to each such Limited Partner is zero.

### 5.3 U.S. Tax Allocations.

(a) Subject to Section 5.3(g) below, all income, gains, losses, deductions and credits of the Partnership shall be allocated for U.S. federal, state, local and foreign income tax purposes among the Limited Partners in accordance with the allocation of such income, gains, losses, deductions and credits among the Limited Partners for purposes of computing their Capital Accounts; except that if any such allocation is not permitted by the Code or other applicable law, then the Partnership’s subsequent income, gains, losses, deductions, and credits for tax purposes shall be allocated among the Limited Partners so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Items of Partnership taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Partnership shall be allocated among the Limited Partners in accordance with Code Section 704(c) so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its Gross Asset Value. The Board shall have the authority to select, in its reasonable discretion, any method of making such allocations that is allowed under Code Section 704(c) and the Regulations thereunder.

(c) If the Gross Asset Value of any Partnership asset is adjusted pursuant to the requirements of Regulations Section 1.704-1(b)(2)(iv)(e) or (f), subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for U.S. federal income tax purposes and its Gross Asset Value using any reasonable method permitted under Section 704(c) of the Code and the Regulations thereunder.

(d) Allocations of tax credits, tax credit recapture, and any items related thereto shall be allocated to the Limited Partners according to their interests in such items as reasonably determined by the Board taking into account the principles of Regulations Section 1.704-1(b)(4)(ii).

(e) Allocations pursuant to this Section 5.3 are solely for the purposes of U.S. federal, state, local and foreign taxes and shall not affect, or in any way be taken into account in computing, any Limited Partner's Capital Account or share of Income, Loss, Distributions or other Partnership items pursuant to any provision of this Agreement.

(f) To the extent permitted by the Code or other applicable law, notwithstanding anything contained herein to the contrary, allocations of taxable income realized by the Partnership as a result of distributions or dividends from (or redemptions of securities held by the Partnership of) its subsidiaries, the proceeds of which are used to fund distributions to Partners, shall be made to the Partners receiving such distributions in proportion to such distributions.

(g) The Board shall not take any action with respect to the authority granted pursuant to Section 5.3(b) or (d), that could reasonably be expected to disproportionately and adversely affect any Partner, without obtaining such Partner's consent (such consent not to be unreasonably delayed, conditioned, or withheld).

5.4 Limited Partners' Tax Reporting. The Limited Partners acknowledge and are aware of the income tax consequences of the allocations made pursuant to this Article V and, except as may otherwise be required by applicable law or regulatory requirements, hereby agree to be bound by the provisions of this Article V in reporting their shares of Partnership income, gain, loss, deduction and credit for U.S. federal, state, local and foreign income tax purposes.

5.5 Allocation of Canadian Tax Income and Canadian Tax Loss.

The Canadian Tax Income and Canadian Tax Loss of the Partnership for each Fiscal Year shall be allocated among the Partners by the General Partner in a manner consistent with the distribution provisions set out in Article IV. In so allocating the Canadian Tax Income and Canadian Tax Loss, the General Partner shall act reasonably and fairly, taking into account the amount and timing of actual and anticipated distributions to each of the Partners, with a view to ensuring that, over the term of the Partnership, each Partner is allocated a portion of the Partnership's Canadian Tax Income that substantially corresponds to the income that is distributed to that Partner.

5.6 Canadian Tax Returns.

Each Partner shall, in preparing and filing such documents as may be required to be prepared and filed by it under the Tax Act and other similar legislation to which the Partner may be subject, include in its computation of income the Canadian Tax Income and Canadian Tax Loss of the Partnership as may be determined and allocated to it pursuant to this Article V.

5.7 Withholding on Behalf of a Limited Partner. Notwithstanding any other provision in this Agreement, each Partner hereby authorizes the Partnership to withhold from distributions, or with respect to allocations or Elective Loans, to the Partners and to pay over to any federal, state, local, or foreign government any amounts required to be so withheld pursuant to the Code or any provisions of any other federal, state, local, or foreign law (including non-U.S. taxes, U.S. or state withholding taxes, U.S. state franchise or unincorporated business taxes, or taxes arising

under the Partnership Tax Audit Rules), and shall allocate any such amounts to the Partners with respect to which such amount was withheld. All amounts withheld or required to be withheld pursuant to the Code or any provision of any state, local or foreign tax law with respect to any payment, distribution, or allocation to the Partnership or the Partners, and treated by the Code (whether or not withheld pursuant to the Code) or any such tax law as amounts payable by or in respect of any Partner or any Person owning an interest, directly or indirectly, in such Partner, shall be treated as amounts distributed to the Partner with respect to which such amount was withheld pursuant to this Section 5.7 for all purposes under this Agreement. To the extent that any such amount exceeds the cash Distribution that such Partner would have received but for such withholding or other Tax, the Partnership shall notify such Partner as to the amount of such excess and such Partner shall make a prompt payment to the Partnership of such amount, which payment shall not constitute a Capital Contribution. For the avoidance of doubt, any taxes, penalties, and interest payable under the Partnership Tax Audit Rules by the Partnership or any fiscally transparent entity in which the Partnership owns an interest shall be treated as specifically attributable to the Partners of the Partnership, and the Partnership shall use commercially reasonable efforts to allocate the burden of (or any diminution in distributable proceeds resulting from) any such taxes, penalties or interest to those Partners to whom such amounts are specifically attributable (whether as a result of their status, actions, inactions or otherwise), as determined by the Partnership. Each Limited Partner agrees to promptly take such action, including providing and periodically updating information (which may include the identities of the Partner's direct and indirect U.S. beneficial owners), that the Board reasonably determines (in its sole discretion) is necessary to reduce or eliminate withholding taxes or other penalties under Sections 1471-1474 of the Code, any intergovernmental agreement or any regulations promulgated thereunder (or other similar Laws). Notwithstanding any other provisions in this Agreement, if any payments made to the Partnership from a foreign entity are subject to withholding tax and withholding tax rate is calculated on a look through basis, the Partnership shall be entitled to adjust any distribution or income allocation to any Partner to take into account the amount of withholding that has been applied on the basis of such Partner's residency or tax status.

## ARTICLE VI

### RIGHTS AND DUTIES OF PARTNERS

6.1 Power and Authority of Partners. No Partner shall, in its capacity as such, have the authority or power to act for or on behalf of the Partnership in any manner, to do any act that would be (or could be construed as) binding on the Partnership, or to make any expenditures on behalf of the Partnership, and the Partners, subject to Article VII, hereby consent to the exercise by the General Partner of the powers and rights conferred on it by applicable law and by this Agreement.

6.2 Voting Rights. Except as otherwise specifically set forth in this Agreement or as otherwise required by applicable law, Partners holding Class A Units shall vote together as a single class, and a Class A Partner shall be entitled to one vote for each Class A Unit held by such Class A Partner on all matters to be voted upon by the Limited Partners.

6.3 Liability of Limited Partners.

(a) No Personal Liability. Except as otherwise required by the Delaware Act or as expressly set forth in this Agreement (including in Sections 5.5 and 6.3(b)), no Limited Partner shall have any personal liability whatsoever in such Limited Partner's capacity as a Limited Partner, whether to the Partnership, to any of the other Partners, to the creditors of the Partnership or to any other Third Party for the debts, obligations and liabilities of the Partnership, whether arising in contract, tort or otherwise (including those arising as a Limited Partner or an equityholder, an owner or a shareholder of another Person). Each Limited Partner shall be liable only to make such Limited Partner's Capital Contribution to the Partnership, if applicable, and any other payments provided for expressly herein. Notwithstanding any other provision of this Agreement or any duty otherwise existing at law or in equity, the parties hereto hereby agree that, to the maximum extent permitted by law, including Section 17-1101(d) of the Act, the Limited Partners shall not owe any fiduciary duties to the Partnership, the other Partners or any other Person in relation to their role as Partners, or to any action taken or any failure to take action in their capacity as such; provided, however, that the Limited Partners shall act in accordance with this Agreement and the implied contractual covenant of good faith and fair dealing. Each Limited Partner shall be liable only to make such Limited Partner's Capital Contribution to the Partnership, if applicable, and any other payments provided for expressly herein.

(b) Return of Distributions. Under the Delaware Act, a Limited Partner may, under certain circumstances, be required to return amounts previously distributed to such Limited Partner. It is the intent of the Limited Partners that no Distribution to any Limited Partner pursuant to Article IV or Article X shall be deemed to constitute money or other property paid or distributed in violation of the Delaware Act, and the Limited Partner receiving such Distribution shall not be required to return to any Person any such money or property, except as otherwise expressly set forth herein or the Delaware Act. If, however, it is required pursuant to the Delaware Act or any court of competent jurisdiction holds that, notwithstanding the provisions of this Agreement, any Limited Partner is obligated to make any such payment, such obligation shall be the obligation of such Limited Partner and not of the other Limited Partners.

#### 6.4 Investment Opportunities; Performance of Duties; Conflicts of Interest.

(a) Subject to the terms of any written agreement by any Partner to the contrary (including any non-competition agreements with employees or former employees of the Partnership or any of its subsidiaries), a Partner (unless such Partner is an employee of the Partnership or one of its subsidiaries) may have business interests and engage in business activities in addition to those relating to the Partnership, and no Partner (unless such Partner is an employee of the Partnership or one of its subsidiaries) shall have any duty or obligation to bring any "corporate opportunity" to the Partnership. Subject to the terms of any written agreement by any Partner to the contrary, neither the Partnership nor any Partner shall have any rights by virtue of this Agreement in any business interests or activities of any other Partner.

(b) In performing its, his or her duties, each of the Partners shall be entitled to rely in good faith on the provisions of this Agreement and on information, opinions,

reports or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, profits or losses of the Partnership and its Subsidiaries), of the following other Persons or groups: (i) one or more officers or employees of such Partner or the Partnership or any of its Subsidiaries, (ii) any attorney, independent accountant or other Person employed or engaged by such Partner or the Partnership or any of its Subsidiaries, or (iii) any other Person who has been selected with reasonable care by or on behalf of such Partner or the Partnership or any of its Subsidiaries, in each case, as to matters which such relying Person reasonably believes to be within such other Person's professional or expert competence.

(c) On any matter involving a conflict of interest not provided for elsewhere in this Agreement, each Partner shall be guided by its reasonable judgment as to the best interests of the Partnership and its Subsidiaries and shall take such actions as are determined by such Person to be necessary or appropriate to ameliorate such conflict of interest.

6.5 Investment Representations of Limited Partners. Each Limited Partner hereby represents, warrants and acknowledges to the Partnership that: (a) such Limited Partner has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the Partnership and is making an informed investment decision with respect thereto; (b) such Limited Partner is acquiring interests in the Partnership for investment only and not with a view to, or for resale in connection with, any distribution to the public or public offering thereof; and (c) the execution, delivery and performance of this Agreement have been duly authorized by such Limited Partner.

6.6 General Partner. The General Partner and the Limited Partners agree that (i) the composition of the General Partner's board of directors shall at all times be the same as the composition of the Board, (ii) the rights and obligations of the shareholders of the General Partners shall in all material respects be the same as those of the Limited Partners in respect of the Partnership as set forth in this Agreement and the Securityholders Agreement, mutatis mutandis, and at the request of any Limited Partner (x) the certificate of incorporation or bylaws of the General Partner shall be amended in such a manner as to conform to the rights and obligations of the Limited Partners in respect of the Partnership, and (y) the shareholders of the General Partner shall enter into a Stockholders Agreement on terms substantially the same as set forth in the Securityholders Agreement, mutatis mutandis, and (iii) no transfer of shares in the General Partner (which originally shall be held by the Limited Partners in the same proportions as the Class A Units are so held), shall be allowed except in conjunction with a corresponding and proportionate transfer of the Class A Units.

## ARTICLE VII

### MANAGEMENT OF THE PARTNERSHIP

7.1 Management of the Partnership. Except for cases in which the approval of the General Partner or the Partners is expressly required by this Agreement or the Act, the powers of the General Partner shall be exercised by or under the authority of, and the business and affairs of the Partnership shall be managed by and under the direction of, the Board, and the Board shall

make all decisions and take all actions for the Partnership which are necessary or appropriate to carry out the Partnership's business and purposes. The General Partner hereby, to the fullest extent permitted by law, including Section 17-403(c) of the Act, unconditionally and irrevocably delegates full, exclusive and complete authority, discretion, obligation and responsibility with respect to the management and control of all aspects of the business and affairs of the Partnership to the Board of Directors

## 7.2 Board of Directors.

(a) Establishment. There is hereby established a committee (the "Board") comprised of natural persons (the "Directors") having the authority and duties set forth in this Agreement. Each Director shall be entitled to one (1) vote with respect to decisions made by the Board. Any decisions to be made by the Board shall require the approval of a Majority Of The Board. Except as provided in the immediately preceding sentence, no Director acting alone, or with any other Director or Directors, shall have the power to act for or on behalf of, or to bind the Company (including as a result of each Director being a "manager" (as that term is defined in the Delaware Act) of the Company as further provided in this Section 7.2(a)). Each Director shall be a "manager" (as that term is defined in the Delaware Act) of the Company, but, notwithstanding the foregoing, no Director shall have any rights or powers beyond the rights and powers granted to such Director in this Agreement. Directors need not be residents of the State of Delaware.

(b) Number of Directors; Term of Office. The authorized number of Directors is, as of the date hereof, seven (7) Directors and, hereafter, subject to the terms and provisions of the Securityholders Agreement, the authorized number of Directors may be increased or decreased by the Board. The Directors shall, subject to the terms and provisions of the Securityholders Agreement, and except as hereinafter otherwise provided for filling vacancies, be elected by a Majority In Voting Interest and shall hold office until their respective successors are elected and qualified or until their earlier death, resignation or removal. As of the date hereof, the seven (7) authorized Directors shall be Gren Schoch, Lisa Swartzman, Daniel Gagnon and Chris Bitsakakis, Patrick Callahan, Paul Murphy and Andrew Byrd. Each such Director shall hold office as a Director until his or her respective successor is elected and qualified or until his or her earlier death, resignation or removal.

(i) Subject to the terms and provisions of the Securityholders Agreement, a Majority In Voting Interest may remove, with or without cause, any Director and fill the vacancy; provided that whenever any Director shall have been designated by a particular Partner or Partners pursuant to the Securityholders Agreement, such Director may be removed and the vacancy filled only by the Partner or Partners entitled to designate such Director as set forth in the Securityholders Agreement. Subject to the terms and provisions of the Securityholders Agreement, vacancies caused by any such removal by the Partners and not filled by the Partners at the meeting at which such removal shall have been made or by a Majority In Voting Interest, may be filled by a majority of the votes of the Directors then in office, although less than a quorum, and any Director so elected to fill any such vacancy shall hold office until his successor is elected and qualified or until his earlier death, resignation or removal; provided that such

Director can be removed with or without cause and replaced by the Partner or Partners, if any, which have the right to designate such Director pursuant to the Securityholders Agreement.

(ii) A Director may resign at any time by giving written notice to that effect to the Board. Any such resignation shall take effect at the time of the receipt of such notice or any later effective time specified in such notice; and, unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective. Any vacancy caused by any such resignation or by the death of any Director or any vacancy for any other reason (including due to the authorization by the Board of a newly created directorship) and not filled by the Partners (either by Partners with the right to designate such Director pursuant to the Securityholders Agreement or otherwise) may be filled by a majority of the votes of the Directors then in office, although less than a quorum, and any Director so elected to fill any such vacancy shall hold office until his successor is elected and qualified or until his earlier death, resignation or removal; provided that such Director can be removed with or without cause and replaced by the Partner or Partners, if any, which have the right to designate such Director pursuant to the Securityholders Agreement.

(c) Meetings of the Board. The Board shall meet at such time and at such place (either within or outside of the State of Delaware) as the Board may designate. Special meetings of the Board shall be held on the call of any two Directors upon at least ten (10) days' (if the meeting is to be held in person) or two (2) day's (if the meeting is to be held by telephone communications or video conference) oral or written notice to the Directors, or upon such shorter notice as may be approved by all of the Directors. Any Director may waive such notice as to himself in writing in advance (including via email). A record shall be maintained by the Secretary of the Company of each meeting of the Board.

(i) Conduct of Meetings. Any special or regular meeting of the Directors may be held in person, telephonically, by video conference or similar communications equipment. At any such special or regular meeting, any member of the Board may participate by telephone, by video conference or similar communications equipment, provided each member of the Board can hear the others. Persons present by telephone, by video conference or similar communications equipment shall be deemed to be present "in person" for purposes hereof.

(ii) Quorum. A Majority Of The Board shall constitute a quorum of the Board for purposes of conducting business. At all times when the Board is conducting business at a meeting of the Board, a quorum of the Board must be present at such meeting. If a quorum shall not be present at any meeting of the Board, then the Directors present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. A Director may vote or be present at a meeting either in person or by proxy.

(iii) Attendance and Waiver of Notice. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

(iv) Actions Without a Meeting. Notwithstanding any other provision contained in this Agreement, any action of the Board may be taken without a meeting if written consent(s) setting forth the action so taken shall be signed by a Majority Of The Board. A record shall be maintained by the Secretary of the Company of each such action taken by written consent of the Board. If an action is to be taken by written consent of less than all of the Directors, the Company shall use commercially reasonable efforts to provide notice to all Directors of any such action proposed to be taken at least two (2) days in advance. Written notice of any action of the Board taken by written consent of a Majority of the Board shall be promptly provided to all Directors, if any, not participating in such consent, including a copy of the signed written consent.

(c) Committees.

(i) Creation. Subject to the Securityholders Agreement, the Board may, by resolution, designate from among the Directors one or more committees (including an audit committee, a nominating committee, and a compensation committee), each of which shall be comprised of one or more Directors, and may designate one or more of the Directors as alternate members of any committee, who may, subject to any limitations imposed by the Board, replace absent or disqualified Directors at any meeting of such committee. Any such committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board, subject to the limitations set forth in the Delaware Act or in the establishment of the committee. Subject to the Securityholders Agreement, any members thereof may be removed by a Majority Of The Board. Unless the resolution designating a particular committee or this Agreement expressly so provides, a committee of the Board shall not have the authority to authorize or make a distribution to the Partners or to authorize the issuance of Units. Meetings of any such committee shall be called and held in the same manner as meetings of the Board under Section 3.1(d).

(ii) Limitation of Authority. No committee of the Board shall have the authority of the Board in reference to:

(A) amending this Agreement, except that a committee may, to the extent provided in the resolution designating that committee or in this Agreement, exercise the authority of the Board provided in this

Agreement to establish the relative rights, obligations, preferences and limitations of any type, class or series of Units;

- (B) approving a plan of merger of the Company;
- (C) recommending to the Partners a voluntary dissolution of the Company or a revocation thereof;
- (D) filling vacancies in the Board;
- (E) fixing the compensation of any member or alternate members of such committee; or
- (F) altering or repealing any resolution of the Board that by its terms provides that it shall not be so amendable or repealable.

(d) Compensation of the Directors. Subject to the Securityholders Agreement, Directors, as such, shall not receive any stated salary for their services as directors, but shall receive such reasonable compensation for their services as may be from time to time agreed upon with respect to any particular Director by the Majority in Voting Interest. In addition, a fixed sum and reimbursement for reasonable out-of-pocket expenses of attendance, if any, shall be allowed for attendance at each regular or special meeting of the Board; provided that nothing contained in this Agreement shall be construed to preclude any Director (including the Chief Executive Officer) from serving the Company or any of its subsidiaries in any other capacity and receiving compensation for such service.

(e) Chairman of the Board. A Majority Of The Board may elect any one of the Directors to be the Chairman of the Board (the "Chairman"). As of the date hereof, the Chairman is Gren Schoch. At any time, the Chairman, if any, may be removed from his or her position as the Chairman by a Majority Of The Board. The Chairman, in his or her capacity as the Chairman of the Board, shall not have any of the rights or powers of an officer of the Company. The Chairman shall preside at all meetings of the Board and at all meetings of the Partners at which he or she shall be present.

7.3 Officers. The Board in its sole discretion may designate any Person to serve as an officer of the Partnership with such powers and such duties as the Board may from time to time prescribe. Each officer will hold office until such officer resigns or is removed or is otherwise disqualified to serve. Any officer of the Partnership may be removed, with or without cause, at any time by the Board.

7.4 Performance of Duties; Liability of Directors and Officers. In performing his or her duties, each of the Directors, officers, and employees of the Partnership shall be entitled to rely in good faith on the provisions of this Agreement and on information, opinions, reports, or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, profits or losses of the Partnership or any facts pertinent to the existence and amount of assets from which distributions to Partners might properly be paid), of the following other Persons or groups: (A) one or more officers or employees of the Company; (B) any attorney, independent accountant, or other expert or

professional employed or engaged by the Company; or (C) any other Person who has been selected with reasonable care by or on behalf of the Partnership, in each case as to matters which such relying Person reasonably believes to be within such other Person's professional or expert competence. The preceding sentence shall in no way limit any Person's right to rely on information to the extent provided in the Delaware Act. No individual who is a Director, an officer, or an employee of the Partnership, or any combination of the foregoing, shall be personally liable under any judgment of a court, or in any other manner, for any debt, obligation, or liability of the Partnership, whether that liability or obligation arises in contract, tort, or otherwise, solely by reason of being a Director, officer, or employee of the Partnership or any combination of the foregoing.

7.5 Indemnification. To the fullest extent allowed by law, each Director, officer and employee of the Partnership shall be indemnified and held harmless by the Partnership, including advancement of reasonable attorneys' fees and other expenses from and against all claims, liabilities, judgments, penalties, fines, expenses, and amounts paid in settlement of any of the foregoing, arising by reason of such Director, officer, or employee being at any time a director, officer or employee of the Partnership, or serving as a director, officer, employee, agent or partner of any subsidiary of the Partnership (hereinafter, "Damages"), except that a Director, officer, or employee of the Company shall not be entitled to indemnification under this Section 7.5 for any (i) breach of such Director's, officer's, or employee's duty of loyalty or due care to the Partnership or its Partners, (ii) acts or omissions which involve gross negligence, intentional misconduct or a knowing violation of law, or (iii) transaction from which such Director, officer, or employee received any improper personal benefit, in each case as found by a final non-appealable order of a court of competent jurisdiction. The indemnification provided pursuant to this Section 7.5 (i) shall be in addition to any other rights to which such officer, Director, or employee shall be entitled to under any other agreement, contract, policy of insurance or instrument or as a matter of law or otherwise, (ii) shall continue as to any officer, Director, or employee who has ceased to serve in such capacity and (iii) shall inure to the benefit of such officer's, Director's, or employee's heirs, assigns and successors. The Partnership will use its commercially reasonable efforts to obtain and maintain, customary insurance protecting Directors, officers, and employees against indemnifiable Damages. All expenses, including reasonable attorneys' fees, reasonably incurred by a Director, officer, or employee in connection with any pending or threatened action, suit, investigation or other proceeding, whether initiated by a governmental authority, a third party or by or on behalf of the Partnership, arising from, or based on, actions taken by such Director, officer, or employee for or on behalf of the Partnership or any subsidiary of the Partnership, will be paid by the Partnership in advance of the final disposition thereof upon receipt of a written undertaking of the Director, officer, or employee, as the case may be, to repay such advances to the extent it is ultimately determined by a court of competent jurisdiction that such Director, officer, or employee is not entitled to be indemnified by the Partnership with respect to such expenses under the Agreement or otherwise.

For purposes of this Section 7.5, references to "the Partnership" shall include, in addition to the resulting company, any constituent company (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its managers, directors, officers, employees or agents, so that any Person who is or was a manager, director, officer, employee or agent of such constituent company, or is or was serving at the request of such constituent company as a director, officer,

employee or agent of another company, partnership, joint venture, trust or other enterprise, shall stand in the same position under this Section 7.5 with respect to the resulting or surviving company as he or she would have with respect to such constituent company if its separate existence had continued. Anything herein to the contrary notwithstanding, any indemnity by the Partnership relating to the matters covered in this Section 7.5 shall be provided out of and to the extent of Partnership assets only and no Partner (unless such Partner otherwise agrees in writing or is found in a final decision of a court of competent jurisdiction to have personal liability on account thereof) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity of the Partnership.

## ARTICLE VIII

### TAX MATTERS

8.1 Designation of Tax Matters Partner. CSH shall designate the “Tax Matters Partner” (within the meaning of Code Section 6231, prior to amendment by the Bipartisan Budget Act of 2015, and analogous provisions of state and local law), to the extent applicable, and the “partnership representative” (within the meaning of Code Section 6223(a), as amended by the Bipartisan Budget Act of 2015, and analogous provisions of state and local law) (the “Tax Matters Partner”).

8.2 Preparation of Tax Returns. The Board shall arrange for the preparation and timely filing of all returns required to be filed by the Partnership in accordance with applicable law; provided that the Board shall not take any action with respect to the preparation and filing of any such returns, that could reasonably be expected to disproportionately and adversely affect any Partner, without such Partner’s consent (such consent not to be unreasonably delayed, conditioned, or withheld). Each Partner agrees that it shall take no position on its tax returns inconsistent with the positions taken on the Partnership’s tax returns, except as may be required by applicable law. The costs incurred in connection with such returns will be treated as expenses of the Partnership.

8.3 Tax Elections. The Board shall determine, in its sole and absolute discretion, whether to make or revoke any available election pursuant to the Code or any other applicable tax legislation, including, if requested by a Partner in connection with a permitted Transfer of Units held by such Partner, an election under Code Section 754; provided, that the Board shall not take any aforementioned actions that could reasonably be expected to disproportionately and adversely affect any Partner, without such Partner’s consent (such consent not to be unreasonably delayed, conditioned, or withheld). The Board shall be entitled to file all elections, determinations, designations and returns or similar documents or instruments under any domestic or foreign tax legislation in respect of the affairs of the Partnership or of a Partner’s interest in the Partnership, as applicable; provided that with respect to the foregoing, the Board shall discuss in good faith with the Limited Partners any such determinations, and shall obtain the consent of the Limited Partners prior to taking any of the aforementioned actions in this section 8.3. Each Partner will, upon request, execute any forms or documents and supply any information necessary to give proper effect to any Partnership tax election. Notwithstanding the foregoing, the Board shall not make an election under Regulations Section 301.7701-3(c) to

cause the Partnership to be taxed as a corporation for U.S. federal income tax purposes without the written consent of Limited Partners.

8.4 Tax Controversies. The Tax Matters Partner is authorized, at the Partnership's expense, to: (a) extend the statute of limitations for assessment of tax deficiencies against the Partners with respect to adjustments to the Partnership's U.S. federal, state, or local tax returns, (b) to the extent provided in Code Sections 6221 through 6231, to represent the Partnership and the Partners before taxing authorities or courts of competent jurisdiction in tax matters affecting the Partnership or the Partners in their capacities as Partners, and to file any tax returns and execute any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Partners with respect to such tax matters or otherwise affect the rights of the Partnership and the Partners, and (c) expend Partnership funds for professional services reasonably incurred in connection therewith (d) to have discretion to determine whether the Partnership (either in its own behalf or on behalf of the Partners) will contest or continue to contest any tax deficiencies assessed or proposed to be assessed by any taxing authority; provided that the Tax Matters Partner shall not take any action with respect to the aforementioned authorized actions prior to discussing in good faith with the Partners and without the consent and approval of such Partners; provided, that the Tax Matters Partner shall not take any aforementioned actions that could reasonably be expected to disproportionately and adversely affect any Partner, without such Partner's consent (such consent not to be unreasonably delayed, conditioned, or withheld). Each Partner agrees to cooperate reasonably with the Tax Matters Partner and to do or refrain from doing any or all things reasonably requested by the Tax Matters Partner with respect to the conduct of such proceedings. The Tax Matters Partner shall have discretion to determine whether the Partnership (either in its own behalf or on behalf of the Partners) will contest or continue to contest any tax deficiencies assessed or proposed to be assessed by any taxing authority. The Tax Matters Partner shall keep the Partners reasonably informed of the progress of any examinations, audits or other proceedings, and shall provide the Partners with such information on a full and timely basis; provided, that the Tax Matters Partner shall not settle or close any claim, audit, investigation, case or other proceeding if such settlement or closure would materially adversely affect a Limited Partner without such Limited Partner's prior written consent. Any deficiency for taxes imposed on any Partner (including penalties, additions to tax or interest imposed with respect to such taxes) shall be paid by such Partner, and if required to be paid (and actually paid) by the Partnership, shall be recoverable from such Partner as provided in Section 4.4.

8.5 Tax Status of Partnership.

The General Partner shall use commercially reasonable efforts to ensure that the Partnership, at all relevant times, is not a "tax shelter" as defined in subsection 237.1(1) of the Tax Act and is not a "SIFT partnership" as defined in section 197 of the Tax Act.

## **ARTICLE IX**

### **TRANSFER OF SHARES; SUBSTITUTED PARTNERS**

9.1 Restrictions on Transfers. Each Partner acknowledges and agrees that such Partner shall not Transfer any Unit(s) except in accordance with the provisions of this Article IX

and, to the extent applicable to such Partner, the Securityholders Agreement. Any attempted Transfer in violation of the preceding sentence shall be deemed null and void for all purposes, and the Partnership shall not record any such Transfer on its books or treat any purported transferee as the owner of such Unit(s) for any purpose.

## 9.2 General Restrictions on Transfers.

(a) Notwithstanding anything to the contrary in this Agreement, no transferee of any Unit(s) received pursuant to a Transfer (but excluding (i) Transferees that were Partners immediately prior to such a Transfer, who shall automatically become a Partner with respect to any additional Units they so acquire, and (ii) any transferee that is an Affiliate of an applicable Transferring Partner, who shall automatically become a Partner upon such Transferee executing and delivering to the Partnership a joinder agreement substantially in the form of Exhibit A attached hereto) shall become a Partner in respect of or be deemed to have any ownership rights in the Unit(s) so Transferred unless the purported Transferee is admitted as a Partner as set forth in Section 9.4.

(b) Following a Transfer of any Unit(s) that is permitted under this Article IX, the transferee of such Unit(s) shall succeed to the Capital Account associated with such Unit(s) and shall receive distributions and allocations under the applicable provisions of this Agreement in respect of such Unit(s). Notwithstanding the foregoing, Income, Losses and other items shall be allocated between the Transferor and the Transferee according to Code Section 706.

(c) Any Partner who Transfers all of such Partner's Units (i) shall cease to be a Partner upon such Transfer, and (ii) shall no longer possess or have the power to exercise any rights or powers of a Partner of the Partnership.

9.3 Void Transfers. To the greatest extent permitted by the Delaware Act and other applicable law, any Transfer by any Partner of any Units or other interest in the Partnership in contravention of this Agreement (and, to the extent applicable, the Securityholders Agreement) shall be null and void *ab initio* and ineffective and shall not bind or be recognized by the Partnership or any other Person. In the event of any Transfer in contravention of this Agreement, the purported Transferee shall have no right to any profits, losses or Distributions of the Partnership or any other rights of a Partner.

9.4 Substituted Partner. Subject in all events to the general restrictions on Transfers contained in Sections 9.1 and 9.2, and, to the extent applicable, the Securityholders Agreement, each Person to whom any Unit is Transferred in accordance with the provisions of this Article IX shall agree in writing to be bound by the provisions of this Agreement as a holder of such Units by execution of a joinder agreement substantially in the form of Exhibit A attached hereto. Upon compliance with Section 9.6 (or waiver thereof by the General Partner) and entry into such joinder, such Person shall become a Substituted Partner entitled to all the rights of a Partner with respect to such Unit, and the Schedule of Partners attached hereto shall be amended to reflect the name, address and Units of such Substituted Partner and if applicable to eliminate the name and address of and other information relating to the transferor with regard to the Transferred Units.

9.5 Effect of Transfer. Following a Transfer of any Unit that is permitted under this Article IX (and, to the extent applicable, the Securityholders Agreement) (a “Permitted Transfer”), the Transferee of such Unit (a “Permitted Transferee”) shall be treated as having made all of the Capital Contributions in respect of, and received all of the Distributions received in respect of, such Unit, and shall receive allocations and Distributions under Article IV and Article X in respect of such Unit as if such Transferee were a Partner.

9.6 Additional Transfer Restrictions. Notwithstanding any other provisions of this Article IX (or, to the extent applicable, the Securityholders Agreement), no Transfer of Units or any other interest in the Partnership may be made unless in the opinion of counsel (who may be counsel for the Partnership), satisfactory in form and substance to the Partners and counsel for the Partnership (which opinion requirement may be waived, in whole or in part, at the reasonable discretion of the Partners), such Transfer would not (i) violate any U.S. federal securities laws or any state securities or “blue sky” laws (including any investor suitability standards) applicable to the Partnership or the interest to be Transferred, (ii) cause the Partnership to be required to register as an “investment company” under the United States Investment Partnership Act of 1940 or (iii) cause the Partnership to be treated as a “publicly traded partnership” within the meaning of Section 7704 of the Code. In addition, no Transfer of Units or any other interest in the Partnership to a Person may be made if:

(a) an interest in the Person is a “tax shelter investment” within the meaning of the Tax Act or the Person is acquiring an interest in the Partnership as a “tax shelter investment for purposes of the Tax Act;

(b) the acquisition or holding of an interest in the Partnership by the Person would or could reasonably be expected to cause the Partnership to become a “SIFT partnership” within the meaning of the Tax Act; and

(c) the Person is financing its acquisition of Units with “limited recourse debt” within the meaning of the Tax Act.

9.7 Transfer Fees and Expenses. Subject to the Securityholders Agreement, to the extent applicable, the Transferor and Transferee of any Units or other interest in the Partnership shall be jointly and severally obligated to reimburse the Partnership for all reasonable expenses (including attorneys’ fees and expenses) incurred by or on behalf of the Partnership in connection with any Transfer or proposed Transfer, whether or not consummated.

9.8 Date of Transfers. Any Transfer and any related admission of a Person as a Partner in compliance with this Article IX (or, to the extent applicable, the Securityholders Agreement) shall be deemed effective on such date that the Transferee or Successor in Interest complies with the requirements of this Agreement.

9.9 Effect of Incapacity. Except as otherwise provided herein, the incapacity of a Partner shall not dissolve or terminate the Partnership. In the event of such incapacity, the executor, administrator, guardian, trustee or other personal representative of the incapacitated Partner shall be deemed to be the assignee of such Partner’s interest and may, subject to the terms and conditions set forth in Section 9.4, become a Substituted Partner.

9.10 No Circumvention of Transfer Restrictions. Each Partner agrees that the Transfer restrictions in this Agreement may not be avoided by the holding of Units of the Partnership directly or indirectly through another entity that can itself be sold in order to dispose of Units of the Partnership free of such restrictions. Any Transfer of an interest in an entity having a direct or indirect interest in Units of the Partnership resulting in any change in the control, directly or indirectly, of a Partner shall be treated as being a Transfer of the Units of the Partnership held by that Partner, and the provisions of this Agreement that apply in respect of the Transfer of Units of the Partnership shall thereupon apply in respect of the Units of the Partnership so held (and no such Partner shall cooperate with any such Transfer unless such provisions are complied with). Notwithstanding anything to the contrary set forth in this Section 9.10 (or, to the extent applicable, the Securityholders Agreement), in the event any Person holds Units of the Partnership directly or indirectly through another entity, (i) a Person controlling such entity may Transfer interests in such entity to a member of the Family Group of such Person, and (ii) upon the death of a Person controlling such entity, interest in such entity may be Transferred to the estate of such Person, and in each case, such Transfer shall be deemed to be a Permitted Transfer hereunder.

## ARTICLE X

### DISSOLUTION AND LIQUIDATION

10.1 Dissolution. The Partnership shall not be dissolved by the admission of Additional Partners or Substituted Partners. The Partnership shall dissolve, and its affairs shall be wound up upon the first of the following to occur:

- (a) the consent of the Board; or
- (b) the entry of a decree of judicial dissolution of the Partnership under Section 17-802 of the Delaware Act.

Except as otherwise set forth in this Section 10.1, the Partnership is intended to have perpetual existence. The death, retirement, resignation, Bankruptcy or dissolution of a Limited Partner shall not cause a dissolution of the Partnership, and the Partnership shall continue in existence subject to the terms and conditions of this Agreement.

#### 10.2 Liquidation and Termination.

(a) On the dissolution of the Partnership, the General Partner shall act as liquidator or (in its sole discretion) may appoint one or more representatives, Partners or other Persons as liquidator(s). The liquidators shall proceed diligently to wind up the affairs of the Partnership and make final Distributions as provided herein and in the Delaware Act. The costs of liquidation shall be borne as a Partnership expense. Until final Distribution, the liquidators shall continue to operate the Partnership with all of the power and authority of the General Partner. The steps to be accomplished by the liquidators are as follows:

- (i) the liquidators shall pay, satisfy or discharge from Partnership funds all of the debts, liabilities and obligations of the Partnership (including all

expenses incurred in liquidation) or otherwise make adequate provision for payment and discharge thereof (including the establishment of a cash fund for contingent liabilities in such amount and for such term as the liquidators may reasonably determine);

(ii) after payment or provision for payment of all of the Partnership's liabilities has been made in accordance with Section 10.2(a)(i), all remaining assets of the Partnership shall be distributed in accordance with Section 4.2, after giving effect to all prior contributions, Distributions, and a final allocation of all items of Income, gain, Loss and expense shall be made in such a manner that, immediately before distribution of such remaining assets, the positive balance of the Capital Account of each Limited Partner shall, to the greatest extent possible, be equal to the net amount that would be distributed to such Limited Partner in accordance with Section 4.2 (after satisfaction of any financial obligations of each Limited Partner to the Partnership under any provisions of this Agreement); and

(iii) any non-cash assets will first be written up or down to their Fair Market Values, thus creating hypothetical gain or loss (if any), which hypothetical gain or loss shall be allocated to the Limited Partners' Capital Accounts in accordance with the requirements of Regulations Section 1.704-1(b) and other applicable provisions of the Code and this Agreement. In making such allocations, the liquidators shall allocate each type of asset (e.g., cash or cash equivalents, securities or other property) among the Limited Partners ratably based upon the aggregate amounts to be distributed with respect to the Units held by each such holder.

10.3 Complete Distribution. The distribution to a Limited Partner in accordance with the provisions of Section 10.2 constitutes a complete return to the Limited Partner of its Capital Contributions and a complete distribution to the Limited Partner of its interest in the Partnership and all the Partnership's property and constitutes a compromise to which all Limited Partners have consented within the meaning of the Delaware Act. If a Limited Partner returns funds to the Partnership pursuant to any provision of this Agreement or the Delaware Act and such funds exceed such Limited Partner's pro rata share of all funds required to be returned to the Partnership (an "Over-Returning Limited Partner"), then the Partnership and the Over-Returning Limited Partner shall have a claim against each Limited Partner that has received and retained Distributions from the Partnership in excess of the amounts to which such Limited Partner is entitled pursuant to this Agreement or the Delaware Act (each, an "Over-Distributed Limited Partner," with any excess retained thereby being such Limited Partner's "Excess Retained Funds") for the return to the Partnership, and the application thereby in settlement among all Over-Returning Limited Partners, of an amount equal to the Over-Distributed Limited Partner's Excess Retained Funds. For the avoidance of doubt, the liability of each Over-Distributed Limited Partner with respect to any such claim shall be several and not joint and shall be limited to the Excess Retained Funds of such Over-Distributed Limited Partner.

10.4 Cancellation of Certificate. On completion of the distribution of Partnership assets as provided herein, the Partnership is terminated (and the Partnership shall not be terminated prior to such time), and the General Partner (or such other Person or Persons as the

Delaware Act may require or permit) shall file a certificate of cancellation with the Secretary of State of the State of Delaware, cancel any other filings made pursuant to this Agreement that are or should be canceled and take such other actions as may be necessary to terminate the Partnership. The Partnership shall be deemed to continue in existence for all purposes of this Agreement until it is terminated pursuant to this Section 10.4.

10.5 Reasonable Time for Winding Up. A reasonable time shall be allowed for the orderly winding up of the business and affairs of the Partnership and the liquidation of its assets pursuant to Section 10.2 to minimize any losses otherwise attendant upon such winding up.

10.6 Return of Capital. The liquidators shall not be personally liable for the return of Capital Contributions or any portion thereof to the Limited Partners (it being understood that any such return shall be made solely from Partnership assets).

10.7 HSR Act. Notwithstanding any other provision in this Agreement, in the event that the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “HSR Act”) is applicable to any Limited Partner by reason of the fact that any assets of the Partnership shall be distributed to such Limited Partner in connection with the dissolution of the Partnership, the dissolution of the Partnership shall not be consummated until such time as the applicable waiting periods (and extensions thereof) under the HSR Act have expired or otherwise been terminated with respect to each such Limited Partner.

10.8 Termination. This Agreement shall terminate with respect to any Limited Partner at the time at which such Limited Partner ceases to own any Units, except that such termination shall not affect (i) rights perfected or obligations incurred by such Limited Partner under this Agreement prior to such termination and (ii) rights or obligations expressly stated to survive such cessation of ownership of Units.

## ARTICLE XI

### CERTAIN AGREEMENTS

#### 11.1 Books and Records.

(a) The Partnership (or its designee) shall keep (a) correct and complete books and records of account, and (b) minutes of the proceedings of meetings of the Partners. Any of the foregoing books, minutes or records may be in written form or in any other form capable of being converted into written form within a reasonable time. Each Limited Partner shall have the right to receive information regarding the Partnership in accordance with Section 17-305 of the Delaware Act.

(b) At such time as distributions are made to the Partners pursuant to Section 10.2 following the liquidation of the Partnership, the General Partner shall cause to be prepared and each Limited Partner to be furnished with a statement of the Partner’s Capital Accounts and changes therein for such Fiscal Year.

(c) Schedule K-1s (or their equivalents) shall be delivered to each Limited Partner as soon as reasonably practicable after the end of each Fiscal Year of the Partnership.

(d) The Partnership shall send, in a timely manner, to each person who was a Limited Partner at any time during a Fiscal Year (a) a Form T5013 in respect of such person's interest in the Partnership and any other information required to be sent to such person under the Tax Act and any other applicable Canadian tax legislation in respect of Partnership matters, and (b) such other information and documents as are reasonably requested by such person to make appropriate tax filings with respect to that Fiscal Year.

11.2 Power of Attorney. Each Partner (other than CSH and its Affiliates and AirBoss and its Affiliates) hereby constitutes and appoints the General Partner and the liquidators, with full power of substitution, as his, her or its true and lawful agent and attorney-in-fact, with full power and authority in his, her or its name, place and stead, to execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (a) this Agreement, all certificates and other instruments and all amendments thereof in accordance with the terms hereof that the General Partner deems appropriate or necessary to form, qualify, or continue the qualification of, the Partnership as a limited partnership in the State of Delaware and in all other jurisdictions in which the Partnership may conduct business or own property; (b) all instruments that the General Partner deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement in accordance with its terms; (c) all conveyances and other instruments or documents that the General Partner or the liquidators deem appropriate or necessary to reflect the dissolution and liquidation of the Partnership pursuant to the terms of this Agreement, including a certificate of cancellation; and (d) all instruments relating to the admission, withdrawal or substitution of any Partner pursuant to Article III or Article IX. The foregoing power of attorney is irrevocable and coupled with an interest, and shall survive the death, disability, incapacity, dissolution, Bankruptcy, insolvency or termination of any Partner and the Transfer of all or any portion of his, her or its Units and shall extend to such Partner's heirs, successors, assigns and personal representatives.

11.3 Amendment. Except as otherwise provided herein, no modification, amendment or waiver of any provision of this Agreement shall be effective against the Company or the Partners unless such modification, amendment or waiver is approved in writing by the General Partner and the Majority AirBoss Holders and Majority CSH Holders; and any such modification, amendment or waiver to which such written approval is obtained will be binding upon the Company and each Partner. Notwithstanding anything to the contrary contained in this Agreement, no modification, amendment or waiver of any provision of this Agreement that materially and adversely affects the rights or obligations hereunder of any particular Limited Partner or group of Limited Partners while not similarly affecting the rights or obligations hereunder of all Limited Partners shall be effective against such Limited Partner or group of Limited Partners unless approved in writing by such Limited Partner or the holders of a majority of the Voting Units held by such group of Limited Partners, as the case may be. Notwithstanding the foregoing or anything to the contrary contained herein, (i) neither the issuance of Units (to the extent permitted hereunder) nor the addition of any Person as a party to this Agreement shall be considered an amendment to this Agreement and (ii) the General Partner may amend this Agreement in accordance with Section 3.2(c) with the consent of the Majority

AirBoss Holders (provided that the AirBoss Holders hold, in aggregate, at least 20% of the outstanding Class A Units) and Majority CSH Holders (provided that the CSH Holders hold, in aggregate, at least 20% of the outstanding Class A Units), in each case, at such time.

11.4 Remedies. Each Limited Partner shall have all rights and remedies set forth in this Agreement and all rights and remedies that such Person has been granted at any time under any other agreement or contract and all of the rights that such Person has under any applicable law. Any Person having any rights under any provision of this Agreement or any other agreements contemplated hereby shall be entitled to enforce such rights specifically (without posting a bond or other security) to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by applicable law.

11.5 Successors and Assigns. All covenants and agreements contained in this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective Successors in Interest; provided that no Person claiming by, through or under a Partner (whether as such Partner's Successor in Interest or otherwise), as distinct from such Partner itself, shall have any rights as, or in respect to, a Partner (including the right to approve or vote on any matter or to notice thereof).

11.6 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

11.7 Counterparts. This Agreement may be executed simultaneously in two or more separate counterparts, any one of which need not contain the signatures of more than one party, but each of which shall be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

11.8 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. Each of the parties hereto submits to the exclusive jurisdiction and venue of any state or U.S. federal court sitting in Wilmington, Delaware, in any action or proceeding arising out of or relating to this Agreement and agrees that all claims in respect of the action or proceedings may be heard and determined in any such court and hereby expressly submits to the personal jurisdiction and venue of such court for the purposes hereof and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum.

11.9 Addresses and Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given or made when (a) delivered personally to the recipient, (b) sent by facsimile to the recipient (with hard copy sent to the recipient by reputable overnight

courier service (charges prepaid) that same day) if sent by facsimile before 5:00 p.m. New York time on a Business Day, and otherwise on the next Business Day, or (c) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid). Such notices, demands and other communications shall be sent to the address for such recipient set forth on the Schedule of Partners attached hereto, or in the Partnership's books and records, or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Any notice to the General Partner or the Partnership shall be deemed given if received by the General Partner at the principal office of the Partnership designated pursuant to Section 2.5.

11.10 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Partnership or any of its Affiliates, and no creditor who makes a loan to the Partnership or any of its Affiliates may have or acquire (except pursuant to the terms of a separate agreement or security agreement executed by the Partnership in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in Partnership profits, losses, Distributions, capital or property other than as a secured creditor.

11.11 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

11.12 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (I) ARISING UNDER THIS AGREEMENT OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. THE PARTIES HERETO EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES HERE MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

11.13 Further Action. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

11.14 Entire Agreement. This Agreement, those documents expressly referred to herein and other documents dated as of the Effective Date related to the subject matter hereof embody the complete agreement and understanding among the parties hereto and supersede and preempt any prior understandings, agreements or representations by or among the parties hereto, written or oral, that may have related to the subject matter hereof in any way, including the Original Agreement.

11.15 Delivery by Facsimile or Email. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or email with scan or facsimile attachment, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or email to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or email as a defense to the formation or enforceability of a contract, and each such party forever waives any such defense.

11.16 Survival. Sections 5.4, 6.3, 7.5, 8.4, 11.8, 11.9, 11.10, 11.12, 11.16, 11.17 and 11.18 shall survive and continue in full force in accordance with its terms, notwithstanding any termination of this Agreement or the dissolution of the Partnership.

11.17 Confidentiality. Each Partner expressly agrees to maintain, for so long as such Person is a Partner and for three (3) years thereafter, the confidentiality of, and not to disclose to any Person other than the Partnership (and any successor of the Partnership or any Person acquiring (whether by merger, consolidation, sale, exchange or otherwise) all or a material portion of the assets or Equity Securities of the Partnership or any of its Subsidiaries), another Partner or a Person designated by the Partnership or any of its or their respective financial planners, accountants, attorneys or other advisors, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Partnership or any of its Subsidiaries that shall not be generally known to the public, except (a) as otherwise required by applicable law or by any regulatory or self-regulatory organization having jurisdiction or by order of a court of competent jurisdiction, in which case (except with respect to disclosure that is required in connection with the filing of U.S. federal, state and local tax returns) prior to making such disclosure such Partner shall give written notice, to the extent permitted by applicable law, rule or regulation, to the Partnership describing in reasonable detail the proposed content of such disclosure and shall permit the Partnership to review and comment upon the form and substance of such disclosure and allow the Partnership to seek confidential treatment therefor, and (b) in the case of any Partner who is employed by the Partnership or any of its Subsidiaries, in the ordinary course of his or her duties to the Partnership or any of its Subsidiaries; provided, however, that if a Partner or its Affiliates is an investment fund, such Partners or its applicable Affiliates may make customary disclosures to its current or prospective investors. Notwithstanding the provisions of this Section 11.17 to the contrary, if any holder of Units desires to undertake any Transfer of its Units permitted by this Agreement, such holder may, upon the execution of a confidentiality agreement (in form reasonably acceptable to the Partnership's legal counsel) by any *bona fide* potential Transferee, disclose to such potential Transferee information of the sort otherwise restricted by this Section 11.17 if such holder reasonably believes such disclosure is necessary for the purpose of Transferring such Units to the *bona fide* potential Transferee.

11.18 Reimbursement of Expenses. The Partnership shall pay all fees and expenses incurred by the General Partner in its capacity as such.

11.19 Use of Limited Partners' Name. Neither the General Partner, the Partnership, any Limited Partner, or any of their respective Affiliates, nor any of their respective representatives shall issue any press release or other public disclosure using the name of a Limited Partner or any of its Affiliates in connection with the Partnership without both (a) providing such Limited Partner with at least two (2) Business Days' prior notice and (b) obtaining such Limited Partner's prior written consent (not to be unreasonably withheld or delayed). Nothing in the immediately preceding sentence shall prevent any disclosure of the name of a Limited Partner or its Affiliates to the extent (and only to the extent) required by applicable law, rule or regulation, provided that the Person making such disclosure shall, to the extent permitted by applicable law, rule or regulation, nonetheless provide prior written notice to such Limited Partner prior to issuing such press release or other public disclosure.

11.20 Partner's Rights as Creditor. Notwithstanding anything contained in this Agreement, any Partner who is a creditor or lender of the Partnership or its Subsidiaries shall be entitled to exercise all of its rights as a creditor or lender of Partnership or its Subsidiaries, as set forth in the applicable credit documents between such Partner and the Partnership or its Subsidiaries, or as otherwise available to such Partner in its capacity as a creditor. Without limiting the generality of the foregoing, any such Partner, in exercising its rights as a creditor or lender, including making its decision on whether to foreclose on any collateral security, will have no duty to consider (a) its or any of its Affiliates' status as a direct or indirect equity owner of the Partnership or its Subsidiaries, (b) the interests of the Partnership or its Subsidiaries or (c) any duty it or any of its Affiliates may have hereunder or otherwise to any other direct or indirect owner of the Partnership or its Subsidiaries, except as may be required under the applicable credit documents or by commercial law applicable to creditors generally.

**[END OF PAGE]**  
**[SIGNATURE PAGES FOLLOW]**

IN WITNESS WHEREOF, the undersigned have executed or caused to be executed on their behalf this Agreement as of the date first written above.

**GENERAL PARTNER:**

**AIRBOSS DEFENSE GROUP GP, INC.**

By: \_\_\_\_\_  
Name:  
Title:

*[Signatures continued on next page]*

**LIMITED PARTNERS:**

**CRITICAL SOLUTIONS HOLDINGS, LLC**

**By:** \_\_\_\_\_

**Name:**

**Title:**

**AIRBOSS OF AMERICA CORP.**

**By:** \_\_\_\_\_

**Name:**

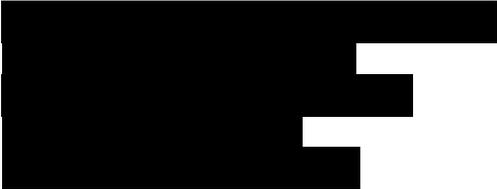
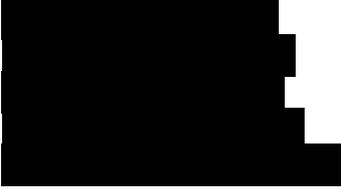
**Title:**

## SCHEDULE OF UNITS

<u>Partners</u>	<u>Class A Units</u>	<u>General Partner Unit</u>
Critical Solutions Holdings, LLC	45	
AirBoss of America Corp.	55	
AirBoss Defense Group, GP Inc.		1
<b>Total</b>	<u><u>100</u></u>	<u><u>1</u></u>

**SCHEDULE OF PARTNERS**

(AS OF [\_\_\_\_], 2019)

<b>Name of Partner</b>	<b>Address of Partner</b>
<b>General Partner:</b>	
AirBoss Defense Group, GP Inc.	 <p>with copies, which shall not constitute notice to:</p>  
<b>Limited Partners:</b>	
Critical Solutions Holdings, LLC	 <p>with a copy, which shall not constitute notice, to:</p> 
AirBoss of America Corp.	

<b>Name of Partner</b>	<b>Address of Partner</b>
	<p>[REDACTED]</p> <p>with a copy, which shall not constitute notice to:</p> <p>[REDACTED]</p>

**EXHIBIT A**

**FORM OF JOINDER TO  
AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP**

This JOINDER (the “Joinder”) to the Amended and Restated Agreement of Limited Partnership of AirBoss Defense Group, L.P., a Delaware limited partnership (the “Partnership”), dated as of [\_\_\_\_], 2019, as amended or restated from time to time, by and among the Partners of the Partnership (the “Agreement”), is made and entered into as of \_\_\_\_\_, by and between the Partnership and \_\_\_\_\_ (“Holder”). Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Agreement.

WHEREAS, on the date hereof, Holder has acquired \_\_\_\_\_ Class [A] Units from \_\_\_\_\_ and the Agreement and the Partnership require Holder, as a holder of such Class [A] Units, to become a party to the Agreement, and Holder agrees to do so in accordance with the terms hereof.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Joinder hereby agree as follows:

1. Agreement to be Bound. Holder hereby (i) acknowledges that it has received and reviewed a complete copy of the Agreement and (ii) agrees that upon execution of this Joinder, it shall become a party to the Agreement and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Agreement as though an original party thereto and shall be deemed, and is hereby admitted as, a Partner for all purposes thereof and entitled to all the rights incidental thereto.
2. Partners Schedule. For purposes of the Partners Schedule, the address of the Holder is as follows:

[Name]  
[Address]
3. **Governing Law. This Agreement and the rights of the parties hereunder shall be interpreted in accordance with the laws of the State of Delaware, and all rights and remedies shall be governed by such laws without regard to principles of conflicts of laws.**
4. Counterparts. This Joinder may be executed in multiple counterparts (and may be transmitted via facsimile or other electronic submission) each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
5. Descriptive Headings. The descriptive headings of this Joinder are inserted for convenience only and do not constitute a part of this Joinder.

IN WITNESS WHEREOF, the parties hereto have executed this Joinder to the Amended and Restated Agreement of Limited Partnership as of the date set forth in the introductory paragraph hereof.

**AIRBOSS DEFENSE GROUP, L.P.**

By: \_\_\_\_\_  
Name:  
Title:

**[HOLDER]**

By: \_\_\_\_\_  
Name:  
Title:

## SECURITYHOLDERS AGREEMENT

This SECURITYHOLDERS AGREEMENT (the “Agreement”) dated as of [●], 2019, is made by and among AirBoss Defense Group, L.P., a Delaware limited partnership (the “Company”), AirBoss Defense Group GP, Inc., a Delaware corporation and the general partner of the Company (the “General Partner”), Critical Solutions Holdings, LLC, a Delaware limited liability company (“CSI”), AirBoss of America Corp. (“AirBoss”), a corporation existing under the laws of the Province of Ontario, and each other Person who executes a joinder hereto substantially in the form of Exhibit A attached hereto (together with CSI and AirBoss, collectively, the “Securityholders”). Capitalized terms used herein but not otherwise defined have the meaning set forth in Section 1.

WHEREAS, each Securityholder owns, either directly or indirectly, a number of Securityholder Units;

AND WHEREAS, the Company and the Securityholders desire to enter into this Agreement for the purposes, among others, of (i) establishing the composition of the Board, (ii) assuring continuity in the management and ownership of the Company and (iii) limiting the manner and terms by which the Securityholder Units may be transferred;

AND WHEREAS, contemporaneous to the execution of this Agreement, AirBoss, AirBoss Defense Group, LLC, a limited liability company existing under the laws of Delaware and a direct subsidiary of CSI (“US Newco LLC”), and AirBoss Defense Group Ltd., a corporation existing under the laws of Quebec (“Canco”) will enter into a securityholders agreement (“Canco Securityholders Agreement”) in substantially the same form and containing the same terms, *mutatis mutandis*, as this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. As used herein, the following terms shall have the following meanings:

“AirBoss” has the meaning set forth in the preamble to this Agreement.

“AirBoss Nominees” has the meaning set forth in Section 2(a)(i)(B).

“AirBoss Original Units” means the 55 Class A Units held by AirBoss as of immediately following the consummation of the transactions contemplated by the Contribution Agreement.

“Acceptance Period” has the meaning set forth in Section 6.(a).

“Affiliate” means, as to any Person, any other Person that directly or indirectly controls, or is under common control with, or is controlled by, such Person. As used in this definition, “control” (including, with its correlative meanings, “controlled by” and “under common control with”) means possession, directly or indirectly, of power to direct or cause the

direction of management or policies (whether through ownership of securities, partnership or other ownership interests, by contract or otherwise).

“Aggregate Consideration” has the meaning set forth in Section 5.(c).

“Agreement” has the meaning set forth in the preamble to this Agreement.

“Applicable Canadian Securities Laws” means the securities legislation in each province and territory of Canada, including all rules, regulations, published policy statements and blanket orders thereunder or issued by one or more securities regulatory authority in each of the provinces and territories of Canada.

“Appraiser” has the meaning set forth in Section 10.(a).

“Approved Sale” has the meaning set forth in Section 5.(a).

“Approved Sale Notice” has the meaning set forth in Section 5.(a).

“Board” means the Company’s board of directors.

“Canco” has the meaning set forth in the preamble to this Agreement.

“Canco Articles of Amalgamation” means the articles of amalgamation of Canco.

“Canco Securityholders Agreement” has the meaning set forth in the preamble to this Agreement.

“Canco Securityholder Shares” means “Securityholder Shares”, as such term is defined in the Canco Securityholders Agreement.

“Certificate of Formation” means the Certificate of Formation of the Company filed on April 30, 2019, as amended from time to time.

“Class A Units” means the Company’s Class A Units (as such term is defined in the Limited Partnership Agreement).

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” has the meaning set forth in the preamble to this Agreement.

“Competitor” means any Person, excluding the Company and its Subsidiaries, that offers a product or service similar to those offered by AirBoss or any Subsidiary of AirBoss at the applicable time, and any Person that is directly or indirectly owned or controlled by a Person that offers a product or service similar to those offered by AirBoss or any Subsidiary of AirBoss at the applicable time.

“Contribution Agreement” means the contribution agreement among the Company, AirBoss of America Corp., Critical Solutions Holdings, LLC, Critical Solutions

Acquisition, Inc., AirBoss Defense Group, L.P. and AirBoss Defense Group, LLC, dated as of May 9, 2019.

“CSI” has the meaning set forth in the preamble to this Agreement.

“CSI Nominees” has the meaning set forth in Section 2.(a)(i)(A).

“CSI Original Units” means the 45 Class A Units held by CSI as of immediately following the consummation of the transactions contemplated by the Contribution Agreement.

“CSI Units” means all Units issued or issuable to, or otherwise held by CSI and/or CSI’s Affiliates.

“Distribution Priorities” has the meaning set forth in Section 5.(c).

“Elected Amount” has the meaning set forth in Section 6.(a).

“Election Notice” has the meaning set forth in Section 4.(b)(ii).

“Electing Securityholders” has the meaning set forth in Section 4.(c).

“Equity Incentive Plan” means any stock option plan or any other management or employee incentive plan approved by the Board, provided such plan provides for the issuance of Securityholder Units which are not Voting Units.

“Equity Interest” means any share, unit, capital stock, partnership, member or similar interest in the Company, including the Units, and any option, warrant, right or security (including debt securities) convertible, exchangeable or exercisable therefor.

“Family Group” means, with respect to an individual Securityholder, such Securityholder’s spouse and descendants (whether natural or adopted) and any trust solely for the benefit of such Securityholder and/or such Securityholder’s spouse, and their respective ancestors and/or descendants (whether natural or adopted).

“General Partner” has the meaning set forth in the preamble to this Agreement.

“IFRS” means International Financial Reporting Standards.

“Indebtedness” means, with respect to any Person, without duplication: (i) any indebtedness of such Person for borrowed money and any obligations issued in substitution for or exchange of obligations for borrowed money, loans or advances (other than indebtedness between a Person and its wholly-owned subsidiary); (ii) any obligations under any note, bond or other debt security, (iii) any indebtedness for borrowed money of any other Person guaranteed in any manner by such Person; (iv) any liabilities for the deferred purchase price of property or services, with respect to which such Person is liable, contingently or otherwise, as obligor or otherwise (other than accounts payable owing by way of trade credit where such accounts payable have arisen in the ordinary course of business); (v) any liabilities under capital leases with respect to which such Person is liable, contingently or otherwise, as obligor, guarantor or

otherwise; (vi) any interest rate, currency swap or similar hedging agreement; (vii) any unpaid bonuses, severance and deferred compensation obligations, together with the employer portion of any payroll, social security, unemployment or similar Tax and related costs associated with such payments; and (viii) all accrued and unpaid interest on, prepayment premiums, fees, penalties or similar contractual charges in respect of any of the foregoing, which would be payable if such obligations were paid in full as of such date

“Limited Partnership Agreement” means that certain Amended and Restated Agreement of Limited Partnership of the Company, by and among the Company and the parties signatory thereto, dated as of the date hereof, as amended from time to time.

“Non-Transferring Securityholder” has the meaning set forth in Section 4.(b)(i).

“Notice of Issuance” has the meaning set forth in Section 6.(a).

“Offer Period” has the meaning set forth in Section 4.(b)(ii).

“Offering Securityholder” has the meaning set forth in Section 4.(b).

“Original Value” means \$560,000 per AirBoss Original Unit or CSI Original Unit, as the case may be, as equitably adjusted for any Unit split, combination of Units, recapitalization, merger, consolidation or other reorganization occurring after the date hereof.

“Permitted Transferees” has the meaning set forth in Section 4.(d)(i).

“Person” means an individual, a partnership, a corporation, a limited partnership, an unlimited liability company, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

“Pro Rata Share” means, with respect to any Securityholder as of any given time, the quotient determined by dividing (i) the total number of Voting Units held by such Securityholder as of such time, by (ii) the total number of Voting Units held by all Securityholders as of such time.

“Public Sale” means any sale of Securityholder Units to the public pursuant to an offering registered under the Securities Act or to the public effected through a broker, dealer or market maker pursuant to the provisions of Rule 144 under the Securities Act, or a distribution or sale of Securityholder Units to the public for cash by means of a prospectus under Applicable Canadian Securities Laws.

“Requesting Party” has the meaning set forth in Section 10.(a).

“ROFO Closing” has the meaning set forth in Section 4.(b)(iii).

“ROFO Interests” has the meaning set forth in Section 4.(b).

“ROFO Notice” has the meaning set forth in Section 4.(b)(i).

“Sale Amount” has the meaning set forth in Section 6.(a).

“Sale Notice” has the meaning set forth in Section 4.(c).

“Sale of the Company” means (i) a transaction or series of transactions (including by way of merger, amalgamation, consolidation, or sale of equity) the result of which is that the holders of Securityholder Units immediately prior to such transaction(s) (on a fully diluted as if converted basis) and their Affiliates and Permitted Transferees are, after giving effect to such transaction(s), no longer the “beneficial owners” (as such term is defined in Rule 13d 3 and Rule 13d 5 promulgated under the Securities Exchange Act), directly or indirectly through one or more intermediaries, of more than 25% of the Units (on a fully diluted as if converted basis), or (ii) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the Company’s assets determined on a consolidated basis (including a sale of subsidiaries of the Company constituting all or substantially all of the Company’s consolidated assets); provided, that any internal reorganization involving the Company and/or its Subsidiaries shall not be deemed a Sale of the Company.

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended from time to time.

“Securities Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time.

“Securityholder” has the meaning set forth in the preamble to this Agreement.

“Securityholder Units” means (i) any Units held by the Securityholders and (ii) any Equity Interests issued or issuable directly or indirectly with respect to the securities referred to in clause (i) above by way of or in connection with a combination of Units, recapitalization, merger, amalgamation, consolidation or other reorganization. As to any particular Units or other Equity Interests constituting Securityholder Units, such Units or other Equity Interests will cease to be Securityholder Units when they have been sold in a Public Sale or an Approved Sale. For purposes of this Agreement, a Person will be deemed to be a holder of Securityholder Units whenever such Person has the right to acquire directly or indirectly such Securityholder Units (upon conversion or exercise, in connection with a transfer of securities or otherwise), whether or not such acquisition has actually been effected.

“Sub Board” has the meaning set forth in Section 2.(a)(iii).

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, limited partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, limited partnership, association or other business entity, a majority of the membership, partnership or other similar ownership interest thereof or the power to elect a majority of the members of the governing body thereof is at the time owned or controlled,

directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, limited partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any managing director, managing member, manager, board of managers or general partner of such partnership, limited partnership, association or other business entity.

“Tax Act” means the *Income Tax Act* (Canada).

“Transaction Documents” means, collectively, (i) this Agreement, (ii) the Limited Partnership Agreement, (iii) the Canco Securityholders Agreement, and (iv) the Canco Articles of Amalgamation.

“Transfer” has the meaning set forth in Section 4.(a)(i).

“Transferor” has the meaning set forth in Section 4.(c).

“Undesirable Buyer” means any Person whose business reputation or financial standing would have or would reasonably be expected to have a material adverse effect on the operation of the Company, AirBoss or any Subsidiary of AirBoss or CSI or any Subsidiary of CSI, as the case may be, and any Person that is directly or indirectly owned or controlled by a Person whose business reputation or financial standing would have or would reasonably be expected to have a material adverse effect on the operation of the Company, AirBoss or any Subsidiary of AirBoss or CSI or any Subsidiary of CSI, as the case may be, including, without limitation, any “vulture fund” or distressed debt fund.

“Units” means the Class A Units and any other units or limited partnership interests of the Company (or its successors) issued from time to time.

“Unpurchased Interests” has the meaning set forth in Section 6.(a).

“US Newco LLC” has the meaning set forth in the preamble to this Agreement.

“Voting Units” has the meaning set forth in the Limited Partnership Agreement.

## 2. Board of Directors.

(a) Until the provisions of this Section 2 cease to be effective, to the extent permitted by law, each Securityholder shall vote all Voting Units of the Company over which such Securityholder has voting control, and shall take all other necessary or desirable actions within such Securityholder’s control (whether in such Securityholder’s capacity as a securityholder, director, member of a board committee or officer of the Company or the General Partner or otherwise, and including attendance at meetings in person or by proxy for purposes of obtaining a quorum and execution of written consents in lieu of meetings), and the Company and the General Partner shall take all necessary and desirable actions within its control (including calling special Board or member meetings), so that:

(i) the authorized number of directors on the Board shall initially be established at seven (7) persons, and that the following persons shall be elected to the Board:

(A) so long as CSI holds: (1) not less than 25% of the outstanding Voting Units, two persons designated by CSI, who shall initially be Paul Murphy and Andrew Byrd; (2) less than 25% of the outstanding Voting Units but not less than 10% of the outstanding Voting Units, one person designated by CSI; and (3) less than 10% of the outstanding Voting Units, no persons designated by CSI (the “CSI Nominees”);

(B) so long as AirBoss holds: (1) not less than 50% of the outstanding Voting Units, four persons designated by AirBoss, who shall initially be Gren Schoch, Lisa Swartzman, Daniel Gagnon and Chris Bitsakakis; (2) less than 50% of the outstanding Voting Units but not less than 25% of the outstanding Voting Units, three persons designated by AirBoss; (3) less than 25% of the outstanding Voting Units but not less than 20% of the outstanding Voting Units, two persons designated by AirBoss; (4) less than 20% of the outstanding Voting Units but not less than 10% of the outstanding Voting Units, one person designated by AirBoss; and (5) less than 10% of the outstanding Voting Units, no persons designated by AirBoss (the “AirBoss Nominees”); and

(C) it is understood and agreed that the Chief Executive Officer of the Company shall be a Director;

(ii) the authorized number of directors on the Board shall be increased or decreased from time to time, to the extent such increase or decrease is approved by the Board and by holders of a majority of the outstanding CSI Units;

(iii) the composition of the board of directors of each of the Company’s Subsidiaries (each a “Sub Board”) shall be the same as the Board unless otherwise approved in writing by holders of a majority of the outstanding CSI Units;

(iv) all committees of the Board or a Sub Board shall be created only upon the approval of a majority of the voting power of the Board or such Sub Board, as the case may be, and the composition of all committees shall consist of such persons as determined by a majority of the voting power of the Board or such Sub Board (provided, that so long as they are entitled to designate a director to the Board, each of AirBoss and CSI shall be entitled to designate at least one (1) person to serve on each committee);

(v) so long as AirBoss is entitled to designate directors to the Board pursuant to Section 2.(a)(i)(B), each of the applicable number of AirBoss Nominees may only be removed from the Board, a Sub Board or any committee thereof at the written request of AirBoss but only upon such written request and under no other circumstances, except as required by law;

(vi) so long as CSI is entitled to designate directors to the Board pursuant to Section 2.(a)(i)(A), each of the applicable number of CSI Nominees may only be removed from the Board, a Sub Board or any committee thereof at the written request of CSI but only upon such written request and under no other circumstances, except as required by law;

(vii) in the event the number of AirBoss Nominees is reduced pursuant to Section 2.(a)(i)(B), all such former AirBoss Nominees shall be replaced on the Board by persons designated by the holders of a majority of the outstanding Voting Units;

(viii) in the event the number of CSI Nominees is reduced pursuant to Section 2.(a)(i)(A), all such former CSI Nominees shall be replaced on the Board by persons designated by the holders of a majority of the outstanding Voting Units;

(ix) in the event that any AirBoss Nominee designated hereunder for any reason ceases to serve as a member of the Board, a Sub Board or any committee thereof during such AirBoss Nominee's term of office (other than because AirBoss has ceased to be entitled to designate such director to the Board pursuant to Section 2.(a)(i)(B)), the resulting vacancy on the Board or such Sub Board or committee shall be filled by a representative designated by AirBoss;

(x) in the event that any CSI Nominee designated hereunder for any reason ceases to serve as a member of the Board, a Sub Board or any committee thereof during such CSI Nominee's term of office (other than because CSI has ceased to be entitled to designate such director to the Board pursuant to Section 2.(a)(i)(A)), the resulting vacancy on the Board or such Sub Board or committee shall be filled by a representative designated by CSI;

(b) The Company shall pay the reasonable out-of-pocket expenses incurred by each director in connection with attending the meetings of the Board, Sub Board and any committee thereof. In addition, the Company may pay such additional compensation to directors who are not employees of the Company or any of its Subsidiaries or of AirBoss, CSI or either of their respective Affiliates, as the Board so reasonably determines.

(c) If any party fails to designate a representative to fill a directorship pursuant to the terms of this Section 2, the election of a Person to such directorship shall be accomplished in accordance with the Limited Partnership Agreement, the Certificate of Formation and applicable law. In the event that any provision of the Limited Partnership Agreement or Certificate of Formation is inconsistent with any provision of this Section 2, the Securityholders shall take such action as may be necessary to amend any such provision in the Limited Partnership Agreement or Certificate of Formation to remedy such inconsistency.

3. Conflicting Agreements. Each Securityholder represents that such Securityholder has not granted and is not a party to any proxy, voting trust or other agreement which is inconsistent or conflicts with the provisions of this Agreement, and no holder of Securityholder Units shall grant any proxy, or become party to any voting trust or other agreement, which is inconsistent or conflicts with the provisions of this Agreement.

#### 4. Restrictions on Transfer of Securityholder Units; Registration Rights.

(a) Transfer of Securityholder Units. No holder of Securityholder Units shall sell, transfer, assign, pledge or otherwise dispose of (whether with or without consideration and whether voluntarily or involuntarily or by operation of law) any interest in such holder's Securityholder Units (any such action, a "Transfer"), except pursuant to (i) a Transfer following the three (3) year anniversary of the date hereof in accordance with Section 4.(b) or Section 4.(c),

(ii) a Transfer to a Permitted Transferee in accordance with Section 4.(d)(i), (iii) a Transfer following the three (3) year anniversary of the date hereof in accordance with Section 5 and Section 10, or (iv) a Transfer in a Public Sale.

(b) Right of First Offer. If AirBoss, its Affiliates and Permitted Transferees, on the one hand, or CSI, its Affiliates and Permitted Transferees, on the other hand (such Securityholders, the "Offering Securityholder") desires to Transfer Securityholder Units (except Transfers described in Sections 4.(a)(i), 4.(a)(i) or 4.(a)(i) above), provided that such Transfer is of at least 50% of the Securityholder Units held by such Offering Securityholder as of the date of this Agreement or is in the alternative all of the remaining Securityholder Units held by such Offering Securityholder (in any such case, the "ROFO Interests"), then a right of first offer shall apply with respect to such Transfer in accordance with the following provisions:

(i) Prior to soliciting prospective purchasers in connection with a Transfer of ROFO Interests, the Offering Securityholder shall provide AirBoss (if the Offering Securityholder is CSI, its Affiliates and Permitted Transferees) or CSI (if the Offering Securityholder is AirBoss, its Affiliates and Permitted Transferees) (the "Non-Transferring Securityholder") with a written notice (the "ROFO Notice") of its desire to Transfer the ROFO Interests, which notice shall specify in reasonable detail the number and type, class or series of ROFO Interests proposed to be sold by the Offering Securityholder, and the proposed aggregate purchase price it desires to receive for the ROFO Interests and the other material terms and conditions upon which the Offering Securityholder proposes to sell the ROFO Interests. A ROFO Notice shall constitute an irrevocable offer to sell the applicable ROFO Interests in accordance with the terms and conditions (including price) set forth in the ROFO Notice and in this Section 4.(b).

(ii) The Non-Transferring Securityholder shall have the right to accept the offer set forth in the ROFO Notice (including the terms thereof) by delivering to the Offering Securityholder a written notice (an "Election Notice") of such acceptance within sixty (60) days after its receipt of the ROFO Notice (the "Offer Period").

(iii) If the Offering Securityholder receives a timely Election Notice as described in Section (ii) above, the Non-Transferring Securityholder shall acquire the ROFO Interests in accordance with the terms and conditions (including price) set forth in the ROFO Notice and in this Section 4.(b). The closing of any Transfer of ROFO Interests to the Non-Transferring Securityholder who submitted an Election Notice shall be subject to the terms and conditions set forth in the ROFO Notice and shall occur not later than sixty (60) days after the delivery of the Election Notice (the "ROFO Closing") and, during the period following the delivery of the Election Notice and until the earlier to occur of the ROFO Closing and such 60th day, the parties to such Transfer shall negotiate in good faith in respect of the definitive documentation for the Transfer of the ROFO Interests. At the ROFO Closing, the Non-Transferring Securityholder shall deliver to the Offering Securityholder an amount in cash, or other consideration as deemed acceptable by the Offering Securityholder, in its sole discretion, equal to the purchase price for the ROFO Interests, the Offering Securityholder shall deliver any Transfer documentation reasonably required for the Transfer of the ROFO Interests, and the parties to the Transfer shall deliver any other customary documentation reasonably requested by any party thereto. The parties to the Transfer shall make customary representations and

warranties including with respect to title to the ROFO Interests, authority and enforceability but will not be required to make any representations or warranties with respect to the Company or its business.

(iv) If the Non-Transferring Securityholder does not elect to exercise its ROFO rights pursuant to this Section 4.(b), and provided the Offering Securityholder has put in place adequate protections for confidential information of the Company and of the Securityholders, the Offering Securityholder may, subject to such Offering Securityholder's obligations as a "Transferor" pursuant to Section 4.(c), solicit offers for the ROFO Interests from any Person and may Transfer such ROFO Interests at any time within one hundred and eighty (180) days following the end of the Offer Period, at a price that is not less than the proposed purchase price the Offering Securityholder set forth in the ROFO Notice and on other terms and conditions not materially less favorable to the transferee in the aggregate than those set forth in the ROFO Notice, subject (x) if the Offering Securityholder is CSI, its Affiliates and Permitted Transferees, to the consent of AirBoss, in its sole and absolute discretion, if the sale under this Section 4.(b)(iv) would be to a Competitor or Undesirable Buyer, and (y) if the Offering Securityholder is Airboss, its Affiliates and Permitted Transferees, to the consent of CSI, in its sole and absolute discretion, if the sale under this Section 4.(b)(iv) would be to an Undesirable Buyer. The Offering Securityholder shall bear all costs incurred by the Offering Securityholder and the Company in connection with a Transfer pursuant to this Section 4.(b)(iv). If at the end of such one hundred and eighty (180) day period, the Offering Securityholder has not completed the Transfer of the ROFO Interests, it shall be required to comply with the procedures of this Section 4.(b) again prior to Transferring the ROFO Interests.

(c) Tag Along Rights.

(i) At least thirty (30) days prior to any proposed Transfer of Units by AirBoss, its Affiliates and Permitted Transferees, on the one hand, or CSI, its Affiliates and Permitted Transferees, on the other hand (except Transfers (x) described in Sections 4.(a)(i), 4.(a)(i), 4.(a)(i), or 4.(a)(i)(v) above or (y) made pursuant to the Section 4.(b)(iii)) (the Transferring party, the "Transferor") shall deliver a written notice (the "Sale Notice") to the Company and to each other Securityholder holding Securityholder Units of each class to be Transferred, specifying in reasonable detail (i) the identity of the prospective transferee(s), (ii) the type, class or series, and the number of Securityholder Units to be transferred and (iii) the terms and conditions of the Transfer, including any consideration to be paid in connection with the Transfer. The other Securityholders holding Securityholder Units of the type, class or series to be Transferred may elect to participate in the contemplated Transfer by delivering written notice to the Transferor (the Securityholders delivering such notice, collectively, the "Electing Securityholders") within twenty (20) days after delivery of the Sale Notice. Each of the Electing Securityholders shall be required to sell in the contemplated Transfer, to the extent such Transfer is consummated, at the same price and on the same terms as set forth in the Sale Notice (provided, that adequate provision shall be made to account for any exercise or conversion prices payable by any Securityholder (or similar amounts) with respect to any rights to acquire Securityholder Units), a number of each type, class or series of Securityholder Units specified in the Sale Notice (provided, that in the case of a Transfer of more than one type, class or series of Securityholder Units, each of such other Securityholders will be required to Transfer the same pro rata strip of Securityholder Units, based on type, class or series, as the case may be, as is

contemplated to be Transferred in the Sale Notice) equal to the product of (x) the quotient determined by dividing the number of Securityholder Units of such type, class or series owned by such Securityholder by the aggregate number of Securityholder Units of such type, class or series owned by the Securityholders (including the Transferor) participating in such Transfer and (y) the aggregate number of Securityholder Units of such type, class or series to be sold in the contemplated Transfer. The Transferor shall be entitled to sell in the contemplated Transfer, at the same price and on the same terms, all Securityholder Units to be sold in the contemplated Transfer which are not properly elected to be sold by the other Securityholders).

(ii) Each Securityholder participating in the contemplated Transfer shall take all reasonably necessary and desirable actions as directed by the Transferor in connection with the consummation of such Transfer, including executing the applicable purchase agreement. Notwithstanding the foregoing, in connection with such Transfer (A) no Securityholder will be required to grant any indemnification rights except indemnification rights which constitute identical indemnification rights to those granted by the Transferor (pro rata based upon the consideration received and not joint and several, other than any such obligations that relate solely to a particular Securityholder, such as indemnification with respect to representations and warranties made by a Securityholder with respect to such Securityholder (or such Securityholder's ownership of securities in the Company) or covenants made by such Securityholder, in respect of which only such Securityholder shall be liable); (B) each Securityholder shall receive in exchange for the Securityholder Units Transferred by such Securityholder, the same portion of the aggregate consideration from such Transfer that such Securityholder would have received if the aggregate consideration received with respect to all Securityholder Units included in the Transfer (provided, that the out-of-pocket costs and expenses incurred by the Transferor in connection with the contemplated Transfer under this Section 4.(c) that are not otherwise paid by the Company or the acquiring party shall reduce such aggregate consideration and such amount shall be paid to the Transferor as a reimbursement for such costs), had been distributed by the Company in complete liquidation pursuant to the rights and preferences set forth in the Limited Partnership Agreement (presuming for such purpose that the Securityholders Units sold in such Transfer are all the outstanding Securityholder Units) and (C) no Securityholder shall be required to make any representation or warranty that is not made by all other Securityholders participating in such Transfer.

(d) Permitted Transfers. Notwithstanding anything to the contrary herein, the restrictions contained in Sections 4.(b) and 4.(c) shall not apply with respect to any Transfer of Securityholder Units by any Securityholder (i) in the case of an individual Securityholder, pursuant to applicable laws of descent and distribution or to any member of such Securityholder's Family Group or (ii) in the case of any entity, (x) among its Affiliates, or the partners (including limited partners) or employees of it or its Affiliates, or (y) to any employee or director of the Company or any Affiliate of the Company; provided, that the restrictions contained in Sections 4.(a)(i), 4.(b) and 4.(c) shall continue to be applicable to such Securityholder Units after any such Transfer; and provided, further, that in the case of any Transfer to an Affiliate of any entity under clause (i), if such transferee ceases to be an Affiliate of such Transferring entity, such transferee shall re-Transfer the Securityholder Units Transferred by such Securityholder back to the Transferring entity or to another Affiliate thereof and, pending such re-Transfer, such transferee shall not have any rights under this Agreement or the Limited Partnership Agreement in respect of such Securityholder Units Transferred by such

Securityholder. All transferees permitted under this Section 4.(d)(i) are collectively referred to herein as “Permitted Transferees.”

(e) Permitted Security. Notwithstanding anything to the contrary herein, AirBoss and its Affiliates shall be permitted to pledge their Securityholder Units to secure *bona fide* third-party financing.

(f) Non Circumvention. No Securityholder which is not an individual shall permit the Transfer of any of its equity or register the Transfer of any of its equity on its books, to the extent such Transfer is intended to effect a Transfer of the Units held by such Securityholder in circumvention of the restrictions contained herein.

(g) Registration Rights. In the event of an initial public offering of the Company or a successor, (i) all Securityholders shall be provided with customary piggyback registration rights with respect to the initial public offering and subsequent public offerings, subject to customary restrictions and cutbacks, and (ii) following the initial public offering, each of CSI and AirBoss will be provided with the same mutually agreed upon demand registration rights (subject to the piggyback rights described above).

## 5. Sale of the Company.

(a) (i) At any time after the third (3<sup>rd</sup>) anniversary of the date of this Agreement, but subject to the provisions of Section 10, the Requesting Party shall have the right, but not the obligation, to cause a Sale of the Company in accordance with the terms of this Section 5 (an “Approved Sale”), at the Company’s expense. The Requesting Party shall initiate such action by giving written notice (an “Approved Sale Notice”) to the Company as provided in Section 10. If the Requesting Party delivers an Approved Sale Notice, the Company shall initiate a process to seek a Sale of the Company and the Requesting Party shall, in consultation with CSI or AirBoss, as the case may be, direct and control all material decisions in connection therewith (including the hiring or termination of any investment bank or professional adviser and making all material decisions regarding valuation and consideration) and (ii) the Company, CSI, AirBoss and their respective Affiliates and Permitted Transferees shall participate in, and cooperate in good faith with, such process, in each case as requested by the Requesting Party.

(b) In the event of an Approved Sale, each Securityholder will (i) consent to and raise no objections against the Approved Sale or the process pursuant to which the Approved Sale was arranged, (ii) waive any dissenter’s rights and other similar rights and (iii) if the Approved Sale is structured as a sale of securities, each Securityholder will agree to sell its Securityholder Units (and any other equity of the Company) on the same terms and conditions of the Approved Sale; provided, that such Approved Sale shall be subject (x) if the Requesting Party is CSI, its Affiliates and Permitted Transferees, to the consent of AirBoss, in its sole and absolute discretion, if the Approved Sale would be to a Competitor or Undesirable Buyer, and (y) if the Requesting Party is AirBoss, its Affiliates and Permitted Transferees, to the consent of CSI, in its sole and absolute discretion, if the Approved Sale would be to an Undesirable Buyer, and, provided further, that if the equity valuation of the Company underlying the Approved Sale is less than 90% of the equity value of the Company implied by the Fair Market Value as determined pursuant to Section 10.(a), then CSI or Airboss, as the case may be, shall have a

further right of first offer (in accordance with Section 4.(b), except that Offer Period for such purpose shall be only fifteen (15) days) on the same terms and conditions as the Approved Sale, and if CSI or Airboss, as the case may be, does not accept such offer, the Approved Sale to the applicable third-party buyer may proceed. The Company and each Securityholder will take all necessary and/or desirable actions as reasonably directed by the Requesting Party in connection with the consummation of any Approved Sale, including executing the applicable transaction agreements.

(c) The foregoing obligations of each Securityholder with respect to an Approved Sale are subject to the satisfaction of the following conditions: (i) such Approved Sale shall be a bona fide Sale of the Company to a party which is not an Affiliate of the Company, AirBoss or CSI, (ii) upon the consummation of such Approved Sale, each Securityholder, to the extent such Securityholder is receiving any consideration, shall receive the same form of consideration as each other Securityholder (except that a member of management may, with such member's consent, receive securities pursuant to a management "rollover" which are not offered to all Securityholders), (iii) the aggregate consideration payable upon consummation of such Approved Sale to all Securityholders in respect of their Securityholder Units (the "Aggregate Consideration") shall be apportioned to and distributed among the Securityholder Units Transferred in the Approved Sale in accordance with the distribution priorities set forth in the Limited Partnership Agreement as in effect immediately prior to such Approved Sale (presuming for such purpose that the Securityholder Units Transferred pursuant to the Approved Sale are all the outstanding Securityholder Units) (the "Distribution Priorities"); (iv) subject to clause (d)(i) below, if any holders of a series or class of Securityholder Units are given an option as to the form and amount of consideration to be received, each holder of such series or class of Securityholder Units shall be given the same option on a pro rata basis (except that (x) a member of management may, with such member's consent, receive securities pursuant to a management "rollover" which are not offered to all Securityholders); and (v) each holder of then currently exercisable rights to acquire Securityholder Units shall be given an opportunity to exercise such rights prior to the consummation of the Approved Sale and participate in such sale as a holder of such class of Securityholder Units. Each Securityholder acknowledges that, depending upon the amount of aggregate consideration to be distributed in connection with the Approved Sale, certain classes or series of Securityholder Units may receive less consideration per Unit than other classes or series of Securityholder Units, and certain classes or series may receive no consideration in the Approved Sale.

(d) Notwithstanding the foregoing but subject to clause (e) below, (i) Company expenses (including reasonable out-of-pocket costs and expenses incurred by CSI, AirBoss and their Affiliates in connection with the Approved Sale), purchase price adjustments, escrow amounts, purchase price holdbacks, indemnity obligations and other similar items, shall be deemed to reduce (or increase, as the case may be, i.e. in the case of a purchase price adjustment increase or an indemnity payment in favor of the Securityholders) the Aggregate Consideration for purposes of determining the apportionment thereof in accordance with the Distribution Priorities (except that indemnification obligations that relate solely to a particular Securityholder, such as indemnification with respect to representations and warranties made by a Securityholder with respect to such Securityholder (or such Securityholder's ownership of securities in the Company) or covenants made by such Securityholder, shall be borne only by such Securityholder and shall not be deemed to reduce the Aggregate Consideration), (ii) non-cash

consideration (including debt and equity securities) shall be allocated among the Securityholder Units Transferred in the Approved Sale in accordance with the Distribution Priorities after all cash consideration is so allocated (except that a member of management may, with such member's consent, receive securities pursuant to a management "rollover" which are not offered to all Securityholders), (iii) cash amounts paid to the Securityholders following the applicable closing (i.e. purchase price adjustment increases, earnout payments, escrow and holdback releases, and similar items) shall be allocated among the Securityholder Units as such amounts would have been allocated at the applicable closing had such amounts been included in the Aggregate Consideration and apportioned in accordance with the Distribution Priorities and (iv) amounts payable directly by the Securityholders (rather than from escrow or holdback) following the applicable closing (i.e. pursuant to purchase price adjustment decreases, indemnity obligations, and similar items) shall be allocated among the Securityholder Units Transferred in the Approved Sale (and paid accordingly by the Securityholders which held such Securityholder Units as of the applicable closing) to reflect the reduction in consideration, if any, which each Securityholder Unit Transferred in the Approved Sale would have suffered at the applicable closing had such amounts been deducted from the Aggregate Consideration for purposes of determining the apportionment in accordance with the Distribution Priorities (except that indemnification obligations that relate solely to a particular Securityholder, such as indemnification with respect to representations and warranties made by a Securityholder with respect to such Securityholder (or such Securityholder's ownership of securities in the Company) or covenants made by such Securityholder, shall be borne only by such Securityholder and shall not be deemed to reduce the Aggregate Consideration).

(e) Notwithstanding anything to the contrary contained in this Section 5, in connection with an Approved Sale: (i) no Securityholder will be required to grant any indemnification rights except indemnification rights which substantially reflect the provisions of clause (d) above, (ii) no Securityholder shall be required to make any representation or warranty that is not made by all other Securityholders (except that each Securityholder shall be required to make representations and warranties with respect to the Company and its Subsidiaries that are made by all other Securityholders (which representations shall be several and not joint)), (iii) no Securityholder shall be obligated to join in any indemnification obligation with respect to any representation and warranty made by another Securityholder that is not made by all Securityholders in connection with such Approved Sale; (iv) no Securityholder shall be obligated to indemnify any Person with respect to an amount in excess of the cash proceeds paid to such Securityholder in connection with such Approved Sale and (v) no Securityholder shall be obligated to indemnify any Person for breaches of or inaccuracies in representations and warranties with respect to the Company and its Subsidiaries or breaches of covenants of the Company and its Subsidiaries in excess of such Securityholder's *pro rata* portion of such liability (based on the Aggregate Consideration received by such Securityholder in such Approved Sale).

#### 6. Preemptive Rights.

(a) Except for Equity Interests issued to employees of the Company and its Subsidiaries pursuant to an Equity Incentive Plan, if at any time after the date hereof the Company wishes to issue any Equity Interest to any Person or Persons, the Company shall promptly deliver to each Securityholder a written notice of such intention (a "Notice of

Issuance”), setting forth (i) a description of the Equity Interests to be issued, (ii) the aggregate number of Equity Interests to be issued (the “Sale Amount”), (iii) the proposed purchase price and (iv) the other material terms of such issuance. Upon a Securityholder’s receipt of the Notice of Issuance, such Securityholder shall have the right to elect to purchase, at the price and on the terms stated in the Notice of Issuance, up to the percentage of the Sale Amount equal to such Securityholder’s Pro Rata Share (the amount so elected, such Securityholder’s “Elected Amount”). Such election shall be made by such Securityholder by written notice to the Company within fifteen (15) days after receipt by such Securityholder of the Notice of Issuance (the “Acceptance Period”). In the event that any Securityholder does not elect to purchase the maximum number of Equity Interests which such Securityholder was entitled to purchase as described in the prior sentence, the Company shall offer the Equity Interests which such Securityholder was entitled to purchase as described in the prior sentence but which Securityholder did not elect to purchase (the “Unpurchased Interests”) to the Securityholders who elected to purchase the maximum number of Equity Interests they were entitled to purchase pursuant to the previous sentence. Each of such Securityholders may elect, by written notice to the Company within two business days of receipt of such offer, to purchase all or a portion of the Unpurchased Interests. If such Securityholders deliver notices electing to purchase more than the total number of Unpurchased Interests, the Unpurchased Interests shall be allocated on a pro-rata basis based on the number of Unpurchased Interests elected to be purchased by each such Securityholder.

(b) If effective acceptance shall not have been received pursuant to paragraph (a) above in respect of all the Equity Interests to be issued (or to the extent such Equity Interests are not purchased by the Securityholders electing to purchase such Equity Interests within the timeframe described below), then the Company may, at its election, during a period of 120 days following the expiration of the Acceptance Period, sell and issue the remaining portion of the Sale Amount to any Person at a price and upon terms no more favorable to such Person than those stated in the Notice of Issuance; provided, that none of the remaining portion of the Sale Amount may be issued to any Securityholder or any of such Securityholder’s Affiliates unless such Securityholder shall have elected to purchase the maximum number of Equity Interests that such Securityholder was otherwise entitled to elect to purchase as described in the second sentence of Section 6.(a). In the event the Company has not sold the entire Sale Amount within such 120 day period, the Company shall not thereafter sell or issue any such Equity Interests without once again offering such securities to each Securityholder in the manner provided in Section 6.(a).

(c) If a Securityholder gives the Company notice, pursuant to the provisions of this Section 6, that such Securityholder desires to purchase any of the Sale Amount, payment therefor shall be by check or wire transfer, against delivery of the securities at the executive offices of the Company within ten (10) days after giving the Company such notice, or, if later, a closing date as mutually agreed between the Company and such Securityholder for the sale of such Equity Interests.

(d) The Company and each Securityholder represents and warrants that it is not a party to any agreement other than this Agreement with any Persons relating to any right of first refusal or preemptive right upon issuances of Equity Interests.

(e) Notwithstanding anything to the contrary in this Section 6, the Company shall be permitted to issue any Equity Interest without complying with the provisions of this Section 6 so long as (i) the Company gives prompt written notice to the Securityholders of such issuance, which notice shall describe in reasonable detail the Equity Interests which were issued and the issue price thereof and (ii) the Company takes all steps reasonably necessary to enable such Securityholders to effectively exercise their respective rights under this Section 6 as promptly as reasonably practicable after such issuance on the terms specified in Section 6.(a), 6.(b) and 6.(c) and in a manner that affords each such Securityholder electing to exercise such rights all of the rights and benefits it would have received if each such Securityholder had purchased such Equity Interests contemporaneously with such issuance.

7. Legend. In addition to any legend required by any other Transaction Document, any certificate evidencing Securityholder Units and any certificate issued in exchange for or upon the transfer of any Securityholder Units (if such Units remain Securityholder Units as defined herein after such Transfer) shall be stamped or otherwise imprinted with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON \_\_\_\_\_, \_\_\_\_\_, AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO A SECURITYHOLDERS AGREEMENT DATED AS OF [\_\_\_\_], 2019, BY AND AMONG THE ISSUER OF SUCH SECURITIES (THE “COMPANY”) AND CERTAIN OF THE COMPANY’S SECURITYHOLDERS. A COPY OF SUCH SECURITYHOLDERS AGREEMENT WILL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) [insert the distribution date], AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY OF CANADA.”

The Company shall imprint such legend on any certificates evidencing Securityholder Units outstanding prior to the date hereof. The legend set forth above shall be removed from the certificates evidencing any Units which cease to be Securityholder Units.

8. Transfers in Violation of Agreement. Any Transfer or attempted Transfer of any Securityholder Units in violation of any provision of this Agreement shall be null and void, and the Company shall not record such Transfer on its books or treat any purported transferee of such Securityholder Units as the owner of such Units for any purpose.

## 9. Transfer of Securityholder Units.

(a) Securityholder Units are transferable only pursuant to (i) a Public Sale, (ii) subject to the provisions of Section 4 above, Rule 144A (or any similar rule or rules then in effect) of the SEC if such rule is available and (iii) subject to the provisions of Section 4 and Section 9.(b)(i), an exemption from prospectus requirements under Applicable Canadian Securities Laws, and (iv) subject to the provisions of Section 4 and Section 9.(b)(i), any other legally available means of Transfer.

(b) In connection with the Transfer of any Securityholder Units other than a Transfer described in clause (i) or (i) of Section 9.(a)(i) above, the holder thereof shall deliver (i) written notice to the Company at least ten (10) days prior to such proposed Transfer describing in reasonable detail the proposed Transfer and (ii) to the Company, prior to the consummation of such Transfer, an opinion of counsel reasonably acceptable to the Company to the effect that such Transfer of Securityholder Units may be effected without registration of such Securityholder Units under the Securities Act or filing of a prospectus under Applicable Canadian Securities Laws (to the extent the Company requests such an opinion). Notwithstanding anything to the contrary in this Agreement, no Transfer or issuance of any Securityholder Units shall be permitted unless and until the prospective transferee agrees to become a party to this Agreement and be bound by all the terms and conditions hereof by executing and delivering to the Company, a joinder to this Agreement substantially in the form of Exhibit A attached hereto.

(c) Upon the request of a holder of Securityholder Units, the Company shall promptly supply to such Person or its prospective transferees all information regarding the Company required to be delivered in connection with a Transfer pursuant to Rule 144A (or any similar rule or rules then in effect) of the SEC.

(d) A transfer of Securityholder Units to a Person shall not be permitted if:

(i) an interest in the Person is a “tax shelter investment” within the meaning of the Tax Act or the Person is acquiring an interest in the Company as a “tax shelter investment for purposes of the Tax Act;

(ii) the acquisition or holding of an interest in the Company by the Person would or could reasonably be expected to cause the Company to become a "SIFT partnership" within the meaning of the Tax Act; and

(iii) the Person is financing its acquisition of Securityholder Units with “limited recourse debt” within the meaning of the Tax Act.

(e) A transfer of Securityholder Units to a Person shall not be permitted if such transfer would or could reasonably be expected to cause the Company to be treated as a “publicly-traded partnership” taxable as a corporation under Section 7704 of the Code.

## 10. Liquidity Rights.

(a) Once per calendar year (for each Requesting Party), beginning after the third (3<sup>rd</sup>) anniversary of the date hereof, CSI, on the one hand, and AirBoss, on the other hand (in either case, the “Requesting Party”), shall, to the extent such Person or its Affiliates or Permitted Transferees hold, in the aggregate, at least 20% of the total issued and outstanding Voting Units, have the right to engage, at the Company’s expense, Houlihan Lokey (or if Houlihan Lokey is not available or elects not to be so engaged, another Person similarly experienced in respect of valuing companies such as the Company, as is reasonably acceptable to CSI and AirBoss) (in either case, the “Appraiser”) to determine the Fair Market Value of the Securityholder Units then held by the Requesting Party and its Affiliates and Permitted Transferees. For such purpose, “Fair Market Value” shall mean, as of the date of determination, the amount the holders of such Securityholder Units would receive with respect to such Securityholder Units pursuant to the Distribution Priorities if the Company was the subject of an arm’s-length equity sale between a willing buyer and a willing seller in a free market, and the net proceeds of such sale (after repayment of any indebtedness and transaction expenses) were distributed with respect to the Company’s outstanding Securityholder Units in accordance with the Distribution Priorities. For the avoidance of doubt, no minority or illiquidity discount shall be applied in calculating Fair Market Value. The Company shall use its commercially reasonable efforts to cause the Appraiser to deliver its determination of the Fair Market Value of the applicable Securityholder Units to CSI and AirBoss within 30 days after the Appraiser is engaged. If CSI, on the one hand, or AirBoss, on the other hand (in either case, the “Disputing Party”), dispute the Fair Market Value determined by the Appraiser, notice of such dispute must be delivered in writing to the other party within 20 days following receipt of the Appraiser’s determination of the Fair Market Value (the “Dispute Notice”). Upon delivery of the Dispute Notice, the Disputing Party shall be entitled to engage, at the Company’s expense, another Person similarly experienced as the Appraiser in respect of valuing companies such as the Company, as is reasonably acceptable to the other party (the “Second Appraiser”), to determine the Fair Market Value of the Securityholder Units then held by the Requesting Party and its Affiliates and Permitted Transferees. The Company shall use its commercially reasonable efforts to cause the Second Appraiser to deliver its determination of the Fair Market Value of the applicable Securityholder Units to CSI and AirBoss within 30 days after the Second Appraiser is engaged. If the differential between the Fair Market Value determined by the Second Appraiser and the Fair Market Value determined by the Appraiser is equal to or greater than 5%, then the Fair Market Value shall be the mid-point between the two determinations. If the differential between the Fair Market Value determined by the Second Appraiser and the Fair Market Value determined by the appraiser is less than 5%, then the Fair Market Value shall be as determined by the Appraiser.

(b) Within 30 days of its receipt of the Appraiser’s determination, or Second Appraiser’s determination, as applicable, the Requesting Party shall have the right to elect to offer not less than all of the Securityholder Units then held by the Requesting Party, its Affiliates and its Permitted Transferees to CSI or AirBoss, as the case may be, at the price determined pursuant to Section 10.(a), and on such other terms and conditions as are reasonable and customary in respect of such a sale. Such offer shall be made pursuant to the terms of Section 4.(b), and such Section shall govern CSI’s and AirBoss’ rights and obligations in respect thereof, provided that notwithstanding the terms of Section 4.(b), if such offer is made and CSI or AirBoss, as the case may be, does not purchase the offered Securityholder Units pursuant to the terms of this Section 10 and Section 4.(b), the Requesting Party shall be entitled, once per calendar year, to initiate the Approved Sale process set forth in Section 5 by delivering written

notice of its election to do so to the Company within ninety (90) days of the end of the Offer Period.

11. Affirmative Covenants. For so long as CSI, its Affiliates and Permitted Transferees, in the aggregate, hold at least 20% of the total issued and outstanding Voting Units, unless otherwise approved in writing by CSI, the Company shall, and shall cause each of its Subsidiaries to:

(a) cause all properties owned by it or used or held for use in the conduct of its business to be maintained and kept in good condition, repair and working order (reasonable wear and tear excepted) and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Board may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times;

(b) take all actions required to ensure the Company and each of its Subsidiaries remains duly organized, validly existing, and maintain all requisite licenses and franchises required to conduct its business;

(c) use commercially reasonable efforts to (x) maintain good relationships with the customers, suppliers and other material business relations of the Company and its Subsidiaries, and (y) to keep available the services of its officers and other key employees;

(d) maintain the books, accounts and records of the Company and its Subsidiaries in accordance with IFRS;

(e) comply with all material legal requirements of the jurisdictions in which the Company's business is conducted and material contractual obligations applicable to the operations and business of the Company and its Subsidiaries, and pay all applicable taxes as they become due and payable; provided that the Company shall not be required to pay or discharge or cause to be paid or discharged any claim, demand or tax amount, the applicability or validity of which is being contested in good faith by appropriate proceedings;

(f) permit representatives of CSI and its agents (including their counsel, accountants and consultants) to have reasonable access during business hours to the Company's and its Subsidiaries' books, records, facilities, key personnel, officers, directors, customers, independent accountants and legal counsel; and

(g) otherwise operate in the ordinary course of business.

12. Negative Covenants. For so long as CSI, its Affiliates and Permitted Transferees, in the aggregate, hold at least 20% of the total issued and outstanding Voting Units, unless otherwise approved in writing by CSI, the Company shall not, and shall cause each of its Subsidiaries not to:

(a) amend or modify any of the Company's or its Subsidiaries' constating documents in a way that could reasonably be expected to be materially adverse to CSI;

(b) except as permitted by this Agreement, increase or decrease the authorized number of directors of the Board or any Sub Board;

(c) except as required under applicable law, liquidate, dissolve or wind up the affairs of the Company or any of its Subsidiaries, including a bankruptcy or the appointment of a receiver or receiver-manager;

(d) change the Company's or any of its Subsidiaries' principal businesses or enter into a new line of business that is materially different from the principal businesses of the Company and its Subsidiaries;

(e) create, authorize the creation of, or issue any equity security or any security or other right convertible into or exercisable for any equity security (or any phantom equity, stock appreciation right or other similar right, or amend any existing such right), redeem or repurchase any equity security, declare any dividends or distributions in respect of its equity, or effect an initial public offering;

(f) incur Indebtedness in excess of \$2,000,000, other than the third party secured debt financing described in Section 7.12 of the Contribution Agreement;

(g) sell, license, lease, transfer, assign, abandon or otherwise dispose of any of its material assets or mortgage, pledge, hypothec, or impose any lien upon any of its material assets, in each case, other than in the ordinary course of business;

(h) establish or invest in a Subsidiary or joint venture;

(i) make any capital expenditures in excess of \$2,000,000 in the aggregate not contemplated by the then-current approved annual budget;

(j) hire or terminate the Chief Executive Officer (or person acting in a similar capacity), or materially change the terms of employment of any such officer, including in respect of benefits and incentive compensation;

(k) change the Company's and its Subsidiaries' auditors or materially change the accounting policies of the Company and its Subsidiaries, except as required by law;

(l) change the location of the Company's and its Subsidiaries' principal executive offices;

(m) acquire by merger, amalgamation or consolidation with, or by purchase of a substantial portion of the assets or securities of, or by any other manner, any business or any Person or any division thereof, or of any material assets, or the acquisition of any equity interests in, any Person;

(n) enter into any contract or other transaction with any Affiliate of AirBoss, except in the ordinary course of business and on terms and conditions not less favourable to the Company and its Subsidiaries than would reasonably be expected to be obtained on an arm's length basis from unrelated third-parties;

(o) make any loan or advance to any person or entity, including any employee or director, except advances and similar expenditures in the ordinary course of business;

(p) making or agreeing to make payments of any nature to a member of the Board or a Sub Board or changing the basis for any payment previously agreed with any member of the Board or a Sub Board (other than reimbursement of reasonable and documented expenses);

(q) exclusively license any intellectual property or enter into an exclusive distribution or partnership agreement relating to the Company's or one of its Subsidiaries' intellectual property, except in the ordinary course of business; or

(r) commence or settle any material litigation; or

(s) enter into any agreement to effect any of the foregoing.

13. Information Rights. For so long as CSI or one of its Affiliates or Permitted Transferees hold any Securityholder Units, the Company shall deliver to CSI:

(a) as soon as available, but in any event within thirty (30) days after the end of each month (other than any month that ends on or about the last day of a quarterly accounting period), (i) internally prepared consolidated statements of income and cash flows of the Company for such month and for the period from the beginning of the fiscal year to the end of such month, (ii) the related consolidated balance sheets of the Company as of the end of such month, setting forth in each case comparisons to the Company's annual budget and to the corresponding period in the preceding fiscal year, and (iii) internally prepared statements setting forth the operating statistics and/or metrics of the Company for such month and for the period from the beginning of the fiscal year to the end of such month, and all such statements shall be certified by the Company's chief financial officer;

(b) as soon as available but in any event within forty-five (45) days after the end of each quarterly accounting period in each fiscal year, (i) unaudited consolidated statements of income and cash flows of the Company for such quarterly period and for the period from the beginning of the fiscal year to the end of such quarter, (ii) unaudited consolidated balance sheets of the Company as of the end of such quarterly period, setting forth in each case comparisons to the Company's annual budget and to the corresponding period in the preceding fiscal year, and (iii) unaudited consolidated statements setting forth the operating statistics and/or metrics of the Company for such quarterly period and for the period from the beginning of the fiscal year to the end of such quarter, and all such statements shall be prepared in accordance with IFRS (except as to the absence of notes and comparative balances with respect to unaudited financial statements) and shall be certified by the Company's chief financial officer;

(c) within ninety (90) days after the end of each fiscal year, consolidated statements of income and cash flows and operating statistics and/or metrics of the Company for such fiscal year, and consolidated balance sheets of the Company as of the end of such fiscal year, setting forth in each case comparisons to the Company's annual budget and to the preceding fiscal year, all prepared in accordance with IFRS, certified by an independent certified public accountant firm selected by the Board and accompanied by a copy of such firm's annual management letter to the Board;

(d) promptly upon receipt thereof, any additional reports, management letters or other detailed information concerning significant aspects of the operations or financial affairs of the Company given to the Company by its independent accountants (and not otherwise contained in other materials provided hereunder);

(e) prior to the beginning of each fiscal year but in any event no later than forty-five (45) days prior thereto, a proposed annual budget prepared on a monthly basis for the Company for such fiscal year (displaying anticipated statements of income and cash flows and balance sheets), and promptly upon preparation thereof any other significant budgets prepared by the Company and any revisions of such annual or other budgets, and within thirty (30) days after any monthly period in which there is a material adverse deviation from the annual budget, certificate of the Company's chief financial officer explaining the deviation and what actions the Company has taken and proposes to take with respect thereto; and

(f) with reasonable promptness, such other material information and financial data concerning the Company as CSI may reasonably request.

Each of the financial statements referred to in paragraphs (a) through (c) shall be true and correct in all material respects as of the dates and for the periods stated therein, subject in the case of the unaudited financial statements to changes resulting from normal year-end adjustments for recurring accruals.

14. Canco and the General Partner. The parties hereto acknowledge that the intention of the parties is that in general the Securityholders (together with their Affiliates) will own the Company, the General Partner and Canco in the same corresponding percentages. In that regard, notwithstanding anything herein or in the other Transaction Documents to the contrary, (i) any Transfer or redemption of Securityholder Units, whether pursuant to Section 4 or Section 15, respectively, or otherwise, shall be conditioned upon a contemporaneous Transfer by the transferring Securityholder (or one or more of its Affiliates) to the same transferee (or an Affiliate thereof) of the same pro rata portion of such Securityholder's and its Affiliates' shares in the General Partner and Canco Securityholder Shares, and (ii) any purchase of Equity Interests of the Company whether pursuant to the exercise of rights under Section 6 or otherwise, shall be conditioned upon the contemporaneous purchase by the applicable Securityholder (or one or more of its Affiliates) from Canco of the same pro rata portion of any Equity Interests of Canco being contemporaneously offered (if any).

15. Claims for Indemnification.

(a) Subject to the provisions set out in Article 9 of the Contribution Agreement, if AirBoss, on the one hand, or CSH, on the other hand (such party the "Claiming Party") is found, either by mutual agreement or pursuant to a final, non-appealable judgment (being a judgment in respect of which any applicable appeal periods have expired) by a court of competent jurisdiction, to have a valid claim for indemnification under Sections 9.2 or 9.3 of the Contribution Agreement, respectively (the "Claim"), and for which the party responsible for the indemnity payment under the Contribution Agreement (such party the "Indemnifying Securityholder") has elected to settle by way of the redemption of interests in Securityholder Units under section 9.2(b) or 9.3(b) of the Contribution Agreement, then the Indemnifying

Securityholder shall instruct the Company to redeem and cancel, or, in the case of certificated Securityholder Units, submit to the Company for redemption and cancellation, such number (including fractional Units) of AirBoss Original Units (in the case of a Claim against AirBoss) or CSI Original Units (in the case of a Claim against CSI) with an Original Value equal to 77% of the amount of the indemnity payment required to be paid pursuant to the Claim (the “Indemnity Units”) (it being acknowledged that 23% of the amount of the indemnity payment required to be paid pursuant to the Claim shall be satisfied by a redemption of Canco Securityholder Shares in accordance with the Canco Securityholders Agreement), and the Company shall thereafter immediately redeem and cancel such AirBoss Original Units or CSI Original Units, as the case may be, for an aggregate redemption price of \$1 paid to the Indemnifying Securityholder by the Company.

(b) The redemption of the Indemnity Units together with the Canco Securityholder Shares that are redeemed in respect of the applicable Claim pursuant to Section 15 of the Canco Securityholders Agreement shall fully satisfy and extinguish the Indemnifying Securityholder’s indemnification obligations in respect of such Claim.

16. Amendment and Waiver. Except as otherwise provided herein, no modification, amendment or waiver of any provision of this Agreement shall be effective against the Company or the Securityholders unless such modification, amendment or waiver is approved in writing by the Company and the holders of not less than a majority of the Voting Units and the holders of not less than a majority of the outstanding CSI Units; and any such modification, amendment or waiver to which such written approval is obtained will be binding upon the Company and each Securityholder. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms. Notwithstanding anything to the contrary contained in this Agreement, no modification, amendment or waiver of any provision of this Agreement that materially and adversely affects the rights or obligations hereunder of any particular Securityholder or group of Securityholders while not similarly affecting the rights or obligations hereunder of all Securityholders shall be effective against such Securityholder or group of Securityholders unless approved in writing by such Securityholder or the holders of a majority of the Securityholder Units held by such group of Securityholders, as the case may be. Notwithstanding anything to the contrary, the joinder of any Person to this Agreement shall not require the written consent of any Person except the Company.

17. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

18. Entire Agreement. Except as otherwise expressly set forth herein, this document and the other Transaction Documents embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersede

and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

19. Successors and Assigns. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and the Securityholders and any subsequent holders of Securityholder Units and the respective permitted successors and assigns of each of them, so long as they hold Securityholder Units.

20. Counterparts. This Agreement may be executed in separate counterparts each of which shall be an original and all of which taken together shall constitute one and the same agreement. Facsimile or other electronically transmitted counterpart signatures to this Agreement shall be acceptable and binding.

21. Remedies. The parties hereto shall be entitled to enforce their rights under this Agreement specifically to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that the Company may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief (without posting a bond or other security) in order to enforce or prevent any violation of the provisions of this Agreement.

22. Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given when delivered personally, mailed by certified or registered mail, return receipt requested and postage prepaid, or sent via a nationally recognized overnight courier, or sent via email or facsimile to the recipient. Such notices, demands and other communications will be sent to the Company and the Securityholders at the address set forth below or at such address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

To the Company:

A large black rectangular redaction box covers the signature area, obscuring the name and any handwritten notes or dates.

with a copy (which shall not constitute notice to CSI) to:

[REDACTED]

To AirBoss:

[REDACTED]

with a copy (which shall not constitute notice to AirBoss) to:

[REDACTED]

To CSI:

[REDACTED]

with a copy (which shall not constitute notice to CSI) to:

[REDACTED]

To any other Securityholder:

To such Securityholder's address set forth in the Company's records from time to time.

**23. GOVERNING LAW. ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY AND INTERPRETATION OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE.**

24. Jurisdiction. Each of the parties hereto submits to the exclusive jurisdiction and venue of any state or federal court sitting in Wilmington, Delaware, in any action or proceeding arising out of or relating to this Agreement and agrees that all claims in respect of the action or proceedings may be heard and determined in any such court and hereby expressly submits to the personal jurisdiction and venue of such court for the purposes hereof and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum. Each of the parties hereto hereby irrevocably consents to the service of process of any of the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to its address referred to in Section 22, such service to become effective ten (10) days after such mailing.

25. Time is of the Essence; Computation of Time. Time is of the essence for each and every provision of this Agreement. Whenever the last day for the exercise of any privilege or the discharge of any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York or Montreal, Quebec, are authorized to be closed, the party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular business day.

26. Descriptive Headings; Interpretation. The title of and the section and paragraph headings in this Agreement are for convenience of reference only and shall not govern or affect the interpretation of any of the terms or provisions of this Agreement. The term "this Agreement" means this Agreement together with all Schedules and Exhibits hereto, as the same may from time to time be amended, modified, supplemented or restated in accordance with the terms hereof. The use in this Agreement of the term "including" and other words of similar import mean "including, without limitation" and where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict in any manner the construction of the general statement to which it relates. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole, including the Schedules and Exhibits, and not to any particular section, subsection, paragraph, subparagraph or clause contained in this Agreement. The use herein of the masculine, feminine or neuter forms shall also denote the other forms, as in each case the context may require or permit. The use herein of terms importing the singular shall also include the plural, and vice versa.

27. Termination of this Agreement. This Agreement shall automatically terminate on the last to occur of the date on which CSI, AirBoss and their Affiliates and Permitted Transferees no longer own or control at least 10% of the outstanding Voting Units. Notwithstanding anything to the contrary in this Agreement, from and after the time that is immediately prior to (i) the effectiveness of a Securities Act registration statement relating to a public offering of the Company's or a successor corporation's securities or the effectiveness of a distribution or sale of Securityholder Shares to the public for cash by means of a prospectus under Applicable Canadian Securities Laws or (ii) a Sale of the Company, CSI and AirBoss shall have the right, in their mutual discretion, to terminate all or any portion of this Agreement and, following such a termination, the provisions so terminated shall no longer have any force or effect.

*[The remainder of this page is intentionally left blank]*

**IN WITNESS WHEREOF**, the parties hereto have executed this Securityholders Agreement as of the date first above written.

**AIRBOSS DEFENSE GROUP, L.P.**

By: \_\_\_\_\_  
Name:  
Title:

**IN WITNESS WHEREOF**, the parties hereto have executed this Securityholders Agreement as of the date first above written.

**AIRBOSS DEFENSE GROUP GP, INC**

By: \_\_\_\_\_  
Name:  
Title:

**IN WITNESS WHEREOF**, the parties hereto have executed this Securityholders Agreement as of the date first above written.

**AIRBOSS OF AMERICA CORP.**

By: \_\_\_\_\_  
Name:  
Title:

**IN WITNESS WHEREOF**, the parties hereto have executed this Securityholders Agreement as of the date first above written.

**CRITICAL SOLUTIONS HOLDINGS, LLC**

By: \_\_\_\_\_  
Name:  
Title:

## EXHIBIT A

### **FORM OF JOINDER TO SECURITYHOLDERS AGREEMENT**

This JOINDER (the “Joinder”) to the Securityholders Agreement, dated as of [\_\_\_\_], by and among AirBoss Defense Group, L.P., a Delaware limited partnership (the “Company”), and certain securityholders of the Company (the “Agreement”), is made as of \_\_\_\_\_, by and between the Company and \_\_\_\_\_ (“Holder”). Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Agreement.

WHEREAS, Holder has acquired certain Equity Interests (“Holder Units”), and the Agreement and the Company requires Holder, as a holder of Holder Units, to become a party to the Agreement, and Holder agrees to do so in accordance with the terms hereof.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Joinder hereby agree as follows:

1. Agreement to be Bound. Holder hereby agrees that upon execution of this Joinder, it shall become a party to the Agreement and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Agreement as though an original party thereto and shall be deemed a Securityholder for all purposes thereof. In addition, Holder hereby agrees that all Units held by Holder shall be deemed Securityholder Units for all purposes of the Agreement.

2. Successors and Assigns. Except as otherwise provided herein, this Joinder shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and Holder and any subsequent holders of Holder Units and the respective successors and assigns of each of them, so long as they hold any Holder Units.

3. Counterparts. This Joinder may be executed in separate counterparts (and may be transmitted via facsimile or other electronic transmission), each of which shall be an original and all of which taken together shall constitute one and the same agreement.

4. Notices. For purposes of Section 22 of the Agreement, all notices, demands or other communications to the Holder shall be directed to:

[Name]  
[Address]  
[Email]  
[Telephone Number]  
[Facsimile Number]

**5. GOVERNING LAW. ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY AND INTERPRETATION OF THIS JOINDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC**

**LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE.**

6. Descriptive Headings. The descriptive headings of this Joinder are inserted for convenience only and do not constitute a part of this Joinder.

\* \* \* \* \*

**IN WITNESS WHEREOF**, the parties hereto have executed this Joinder as of the date first above written.

AIRBOSS DEFENSE GROUP, L.P.

By: \_\_\_\_\_  
Name:  
Title:

[HOLDER]

By: \_\_\_\_\_  
Name:  
Title:

## SECURITYHOLDERS AGREEMENT

This SECURITYHOLDERS AGREEMENT (the “Agreement”) dated as of [●], 2019, is made by and among Airboss Defense Group Ltd., a corporation existing under the laws of the Province of Quebec (the “Company”), AirBoss Defense Group, LLC, a Delaware limited liability company (“CSI”) and wholly-owned subsidiary of Critical Solutions Holdings, LLC (“CSH”), AirBoss of America Corp. (“AirBoss”), a corporation existing under the laws of the Province of Ontario, and each other Person who executes a joinder hereto substantially in the form of Exhibit A attached hereto (together with CSI and AirBoss, collectively, the “Securityholders”). Capitalized terms used herein but not otherwise defined have the meaning set forth in Section 1.

WHEREAS, each Securityholder owns, either directly or indirectly, a number of Securityholder Shares;

AND WHEREAS, the Company and the Securityholders desire to enter into this Agreement for the purposes, among others, of (i) establishing the composition of the Board, (ii) assuring continuity in the management and ownership of the Company and (iii) limiting the manner and terms by which the Securityholder Shares may be transferred;

AND WHEREAS, contemporaneous to the execution of this Agreement, AirBoss, CSH, AirBoss Defense Group, LP, a limited partnership existing under the laws of Delaware (“US LP”) and AirBoss Defense Group GP, Inc., the general partner of US LP, will enter into a securityholders agreement (“US LP Securityholders Agreement”) in substantially the same form and containing the same terms, *mutatis mutandis*, as this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. As used herein, the following terms shall have the following meanings:

“AirBoss” has the meaning set forth in the preamble to this Agreement.

“AirBoss Nominees” has the meaning set forth in Section 2(a)(i)(B).

“AirBoss Original Shares” means the [●] held by AirBoss as of immediately following the consummation of the transactions contemplated by the Contribution Agreement.

“Acceptance Period” has the meaning set forth in Section 6(a).

“Affiliate” means, as to any Person, any other Person that directly or indirectly controls, or is under common control with, or is controlled by, such Person. As used in this definition, “control” (including, with its correlative meanings, “controlled by” and “under common control with”) means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities, partnership or other ownership interests, by contract or otherwise).

“Aggregate Consideration” has the meaning set forth in Section 5(c).

“Agreement” has the meaning set forth in the preamble to this Agreement.

“Applicable Canadian Securities Laws” means the securities legislation in each province and territory of Canada, including all rules, regulations, published policy statements and blanket orders thereunder or issued by one or more securities regulatory authority in each of the provinces and territories of Canada.

“Appraiser” has the meaning set forth in Section 10(a).

“Approved Sale” has the meaning set forth in Section 5(a).

“Approved Sale Notice” has the meaning set forth in Section 5(a).

“Articles of Incorporation” means the Articles of Amalgamation of the Company filed on [●], 2019, as amended from time to time.

“Board” means the Company’s board of directors.

“By-Laws” means the by-laws of the Company.

“Claim” has the meaning set forth in Section 15(a).

“Claiming Party” has the meaning set forth in Section 15(a).

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” has the meaning set forth in the preamble to this Agreement.

“Competitor” means any Person, excluding the Company and its Subsidiaries, that offers a product or service similar to those offered by AirBoss or any Subsidiary of AirBoss at the applicable time, and any Person that is directly or indirectly owned or controlled by a Person that offers a product or service similar to those offered by AirBoss or any Subsidiary of AirBoss at the applicable time.

“Contribution Agreement” means the contribution agreement among the Company, AirBoss of America Corp., Critical Solutions Holdings, LLC, Critical Solutions Acquisition, Inc., AirBoss Defense Group, L.P. and AirBoss Defense Group, LLC, dated as of May 9, 2019.

“Original Value” means \$[●] per AirBoss Original Share or CSI Original Share, as the case may be, as equitably adjusted for any Share split, combination of Shares, recapitalization, merger, amalgamation, consolidation or other reorganization occurring after the date hereof.

“CSI” has the meaning set forth in the preamble to this Agreement.

“CSI Nominees” has the meaning set forth in Section 2(a)(i)(A).

“CSI Original Shares” means the [●] held by CSI as of immediately following the consummation of the transactions contemplated by the Contribution Agreement.

“CSI Shares” means all Class B common shares issued or issuable to, or otherwise held by CSI and/or CSI’s Affiliates.

“Distribution Priorities” has the meaning set forth in Section 5(c)

“Elected Amount” has the meaning set forth in Section 6(a).

“Election Notice” has the meaning set forth in Section 4(b)(ii).

“Electing Securityholders” has the meaning set forth in Section 4(c).

“Equity Incentive Plan” means any stock option plan or any other management or employee incentive plan approved by the Board, provided such plan provides for the issuance of Securityholder Shares which do not vote in the election of directors.

“Equity Interest” means any share, capital stock or similar interest in the Company, including the Shares, and any option, warrant, right or security (including debt securities) convertible, exchangeable or exercisable therefor.

“Family Group” means, with respect to an individual Securityholder, such Securityholder’s spouse and descendants (whether natural or adopted) and any trust solely for the benefit of such Securityholder and/or such Securityholder’s spouse, and their respective ancestors and/or descendants (whether natural or adopted).

“General Partner” means AirBoss Defense Group GP, Inc., a Delaware corporation and the general partner of US LP.

“Governmental Body” means any domestic or foreign (a) federal, provincial, state, municipal, local or other government, (b) any governmental or quasi-governmental authority of any nature, including any arbitral body (public or private), governmental ministry, agency, branch, department, court, commission, board, tribunal, bureau or instrumentality, or (c) any body exercising or entitled to exercise any administrative, executive, judicial, legislative, regulatory or taxing authority or power of any nature.

“IFRS” means International Financial Reporting Standards.

“Indebtedness” means, with respect to any Person, without duplication: (i) any indebtedness of such Person for borrowed money and any obligations issued in substitution for or exchange of obligations for borrowed money, loans or advances (other than indebtedness between a Person and its wholly-owned subsidiary); (ii) any obligations under any note, bond or other debt security, (iii) any indebtedness for borrowed money of any other Person guaranteed in any manner by such Person; (iv) any liabilities for the deferred purchase price of property or services, with respect to which such Person is liable, contingently or otherwise, as obligor or otherwise (other than accounts payable owing by way of trade credit where such accounts payable have arisen in the ordinary course of business); (v) any liabilities under capital leases

with respect to which such Person is liable, contingently or otherwise, as obligor, guarantor or otherwise; (vi) any interest rate, currency swap or similar hedging agreement; (vii) any unpaid bonuses, severance and deferred compensation obligations, together with the employer portion of any payroll, social security, unemployment or similar Tax and related costs associated with such payments; and (viii) all accrued and unpaid interest on, prepayment premiums, fees, penalties or similar contractual charges in respect of any of the foregoing, which would be payable if such obligations were paid in full as of such date

“Indemnifying Securityholder” has the meaning set forth in Section 15(a).

“Indemnity Shares” has the meaning set forth in Section 15(a).

“Non-Transferring Securityholder” has the meaning set forth in Section 4(b)(i).

“Notice of Issuance” has the meaning set forth in Section 6(a).

“Offer Period” has the meaning set forth in Section 4(b)(ii).

“Offering Securityholder” has the meaning set forth in Section 4(b).

“Permitted Transferees” has the meaning set forth in Section 4(d).

“Person” means an individual, a partnership, a corporation, a limited partnership, an unlimited liability company, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

“Pro Rata Share” means, with respect to any Securityholder as of any given time, the quotient determined by dividing (i) the total number of Shares held by such Securityholder as of such time, by (ii) the total number of Shares held by all Securityholders as of such time.

“Public Sale” means any sale of Securityholder Shares to the public pursuant to an offering registered under the Securities Act or to the public effected through a broker, dealer or market maker pursuant to the provisions of Rule 144 under the Securities Act, or a distribution or sale of Securityholder Shares to the public for cash by means of a prospectus under Applicable Canadian Securities Laws.

“Requesting Party” has the meaning set forth in Section 10(a).

“ROFO Closing” has the meaning set forth in Section 4(b)(iii).

“ROFO Interests” has the meaning set forth in Section 4(b).

“ROFO Notice” has the meaning set forth in Section 4(b)(i).

“Sale Amount” has the meaning set forth in Section 6(a).

“Sale Notice” has the meaning set forth in Section 4(c).

“Sale of the Company” means (i) a transaction or series of transactions (including by way of merger, amalgamation, consolidation, or sale of equity) the result of which is that the holders of Securityholder Shares immediately prior to such transaction(s) (on a fully diluted as if converted basis) and their Affiliates and Permitted Transferees are, after giving effect to such transaction(s), no longer the “beneficial owners” (as such term is defined in Rule 13d 3 and Rule 13d 5 promulgated under the Securities Exchange Act), directly or indirectly through one or more intermediaries, of more than 25% of the Shares (on a fully diluted as if converted basis), or (ii) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the Company’s assets determined on a consolidated basis (including a sale of subsidiaries of the Company constituting all or substantially all of the Company’s consolidated assets); provided, that any internal reorganization involving the Company and/or its Subsidiaries shall not be deemed a Sale of the Company.

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended from time to time.

“Securities Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time.

“Securityholder” has the meaning set forth in the preamble to this Agreement.

“Securityholder Shares” means (i) any Shares held by the Securityholders and (ii) any Equity Interests issued or issuable directly or indirectly with respect to the securities referred to in clause (i) above by way of or in connection with a combination of Shares, recapitalization, merger, amalgamation, consolidation or other reorganization. As to any particular Shares or other Equity Interests constituting Securityholder Shares, such Shares or other Equity Interests will cease to be Securityholder Shares when they have been sold in a Public Sale or an Approved Sale. For purposes of this Agreement, a Person will be deemed to be a holder of Securityholder Shares whenever such Person has the right to acquire directly or indirectly such Securityholder Shares (upon conversion or exercise, in connection with a transfer of securities or otherwise), whether or not such acquisition has actually been effected.

“Shares” means the Company’s Class A common shares and Class B common shares (as such terms are defined in the Articles of Incorporation).

“Sub Board” has the meaning set forth in Section 2(a)(iii).

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, limited partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, limited partnership, association or other business entity, a majority of the membership, partnership or other similar ownership interest thereof or the power to elect a majority of the members of the governing body thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination

thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, limited partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, limited partnership, association or other business entity gains or losses or shall be or control any managing director, managing member, manager, board of managers or general partner of such partnership, limited partnership, association or other business entity.

“Transaction Documents” means, collectively, (i) this Agreement, (ii) the Articles of Incorporation, (iii) the US LP Securityholders Agreement, and (iv) the US LP LPA.

“Transfer” has the meaning set forth in Section 4(a).

“Transferor” has the meaning set forth in Section 4(c).

“Undesirable Buyer” means any Person whose business reputation or financial standing would have or would reasonably be expected to have a material adverse effect on the operation of the Company, AirBoss or any Subsidiary of AirBoss or CSI or any Subsidiary of CSI, as the case may be, and any Person that is directly or indirectly owned or controlled by a Person whose business reputation or financial standing would have or would reasonably be expected to have a material adverse effect on the operation of the Company, AirBoss or any Subsidiary of AirBoss or CSI or any Subsidiary of CSI, as the case may be, including, without limitation, any “vulture fund” or distressed debt fund.

“Unpurchased Interests” has the meaning set forth in Section 6(a).

“US LP” has the meaning set forth in the preamble to this Agreement.

“US LP LPA” means the limited partnership agreement of US LP, as amended from time to time.

“US LP Securityholders Agreement” has the meaning set forth in the preamble to this Agreement.

“US LP Securityholder Units” means “Securityholder Units”, as such term is defined in the US LP Securityholders Agreement.

## 2. Board of Directors.

(a) Until the provisions of this Section 2 cease to be effective, to the extent permitted by law, each Securityholder shall vote all Shares of the Company over which such Securityholder has voting control, and shall take all other necessary or desirable actions within such Securityholder’s control (whether in such Securityholder’s capacity as a securityholder, director, member of a board committee or officer of the Company or otherwise, and including attendance at meetings in person or by proxy for purposes of obtaining a quorum and execution of written consents in lieu of meetings), and the Company shall take all necessary and desirable actions within its control (including calling special Board or shareholder meetings), so that:

(i) the authorized number of directors on the Board shall initially be established at seven (7) persons, and that the following persons shall be elected to the Board:

(A) so long as CSI holds: (1) not less than 25% of the outstanding Shares, two (2) persons designated by CSI, who shall initially be Paul Murphy and Andrew Byrd; (2) less than 25% of the outstanding Shares but not less than 10% of the outstanding Shares, one (1) person designated by CSI; or (3) less than 10% of the outstanding Shares, no persons designated by CSI (the “CSI Nominees”);

(B) so long as AirBoss holds: (1) not less than 50% of the outstanding Shares, four (4) persons designated by AirBoss, who shall initially be Gren Schoch, Lisa Swartzman, Daniel Gagnon and Chris Bitsakakis; (2) less than 50% of the outstanding Shares but not less than 25% of the outstanding Shares, three (3) persons designated by AirBoss; (3) less than 25% of the outstanding Shares but not less than 20% of the outstanding Shares, two (2) persons designated by AirBoss; (4) less than 20% of the outstanding Shares but not less than 10% of the outstanding Shares, one (1) person designated by AirBoss; and (5) less than 10% of the outstanding Shares, no persons designated by AirBoss (the “AirBoss Nominees”); and

(C) it is understood and agreed that the Chief Executive Officer of the Company shall be a Director;

(ii) the authorized number of directors on the Board shall be increased or decreased from time to time, to the extent such increase or decrease is approved by the Board and by holders of a majority of the outstanding CSI Shares;

(iii) the composition of the board of directors of each of the Company’s Subsidiaries (each a “Sub Board”) shall be the same as the Board unless otherwise approved in writing by holders of a majority of the outstanding CSI Shares;

(iv) all committees of the Board or a Sub Board shall be created only upon the approval of a majority of the voting power of the Board or such Sub Board, as the case may be, and the composition of all committees shall consist of such persons as determined by a majority of the voting power of the Board or such Sub Board (provided, that so long as they are entitled to designate a director to the Board, each of AirBoss and CSI shall be entitled to designate at least one (1) person to serve on each committee);

(v) so long as AirBoss is entitled to designate directors to the Board pursuant to Section 2(a)(i)(B), each of the applicable number of AirBoss Nominees may only be removed from the Board, a Sub Board or any committee thereof at the written request of AirBoss but only upon such written request and under no other circumstances, except as required by law;

(vi) so long as CSI is entitled to designate directors to the Board pursuant to Section 2(a)(i)(A), each of the applicable number of CSI Nominees may only be removed from the Board, a Sub Board or any committee thereof at the written request of CSI but only upon such written request and under no other circumstances, except as required by law;

(vii) in the event the number of AirBoss Nominees is reduced pursuant to Section 2(a)(i)(B), all such former AirBoss Nominees shall be replaced on the Board by persons designated by the holders of a majority of the outstanding Shares;

(viii) in the event the number of CSI Nominees is reduced pursuant to Section 2(a)(i)(A), all such former CSI Nominees shall be replaced on the Board by persons designated by the holders of a majority of the outstanding Shares;

(ix) in the event that any AirBoss Nominee designated hereunder for any reason ceases to serve as a member of the Board, a Sub Board or any committee thereof during such AirBoss Nominee's term of office (other than because AirBoss has ceased to be entitled to designate such director to the Board pursuant to Section 2(a)(i)(B)), the resulting vacancy on the Board or such Sub Board or committee shall be filled by a representative designated by AirBoss;

(x) in the event that any CSI Nominee designated hereunder for any reason ceases to serve as a member of the Board, a Sub Board or any committee thereof during such CSI Nominee's term of office (other than because CSI has ceased to be entitled to designate such director to the Board pursuant to Section 2(a)(i)(A)), the resulting vacancy on the Board or such Sub Board or committee shall be filled by a representative designated by CSI;

(b) The Company shall pay the reasonable out-of-pocket expenses incurred by each director in connection with attending the meetings of the Board, Sub Board and any committee thereof. In addition, the Company may pay such additional compensation to directors who are not employees of the Company or any of its Subsidiaries or of AirBoss, CSI or either of their respective Affiliates, as the Board so reasonably determines.

(c) If any party fails to designate a representative to fill a directorship pursuant to the terms of this Section 2, the election of a Person to such directorship shall be accomplished in accordance with the Articles of Incorporation, the By-Laws and applicable law. In the event that any provision of the Articles of Incorporation or By-Laws is inconsistent with any provision of this Section 2, the Securityholders shall take such action as may be necessary to amend any such provision in the Articles of Incorporation or By-Laws to remedy such inconsistency.

3. Conflicting Agreements. Each Securityholder represents that such Securityholder has not granted and is not a party to any proxy, voting trust or other agreement which is inconsistent or conflicts with the provisions of this Agreement, and no holder of Securityholder Shares shall grant any proxy, or become party to any voting trust or other agreement, which is inconsistent or conflicts with the provisions of this Agreement.

#### 4. Restrictions on Transfer of Securityholder Shares; Registration Rights.

(a) Transfer of Securityholder Shares. No holder of Securityholder Shares shall sell, transfer, assign, pledge or otherwise dispose of (whether with or without consideration and whether voluntarily or involuntarily or by operation of law) any interest in such holder's Securityholder Shares (any such action, a "Transfer"), except pursuant to (i) a Transfer following the three (3) year anniversary of the date hereof in accordance with Section 4(b) or Section 4(c), (ii) a Transfer to a Permitted Transferee in accordance with Section 4(d), (iii) a Transfer

following the three (3) year anniversary of the date hereof in accordance with Section 5 and Section 10, or (iv) a Transfer in a Public Sale.

(b) Right of First Offer. If AirBoss, its Affiliates and Permitted Transferees, on the one hand, or CSI, its Affiliates and Permitted Transferees, on the other hand (such Securityholders, the “Offering Securityholder”) desires to Transfer Securityholder Shares (except Transfers described in Sections 4(a)(ii), 4(a)(iii) or 4(a)(iv) above), provided that such Transfer is of at least 50% of the Securityholder Shares held by such Offering Securityholder as of the date of this Agreement or is in the alternative all of the remaining Securityholder Shares held by such Offering Securityholder (in any such case, the “ROFO Interests”), then a right of first offer shall apply with respect to such Transfer in accordance with the following provisions:

(i) Prior to soliciting prospective purchasers in connection with a Transfer of ROFO Interests, the Offering Securityholder shall provide AirBoss (if the Offering Securityholder is CSI, its Affiliates and Permitted Transferees) or CSI (if the Offering Securityholder is AirBoss, its Affiliates and Permitted Transferees) (the “Non-Transferring Securityholder”) with a written notice (the “ROFO Notice”) of its desire to Transfer the ROFO Interests, which notice shall specify in reasonable detail the number and type, class or series of ROFO Interests proposed to be sold by the Offering Securityholder, and the proposed aggregate purchase price it desires to receive for the ROFO Interests and the other material terms and conditions upon which the Offering Securityholder proposes to sell the ROFO Interests. A ROFO Notice shall constitute an irrevocable offer to sell the applicable ROFO Interests in accordance with the terms and conditions (including price) set forth in the ROFO Notice and in this Section 4(b).

(ii) The Non-Transferring Securityholder shall have the right to accept the offer set forth in the ROFO Notice (including the terms thereof) by delivering to the Offering Securityholder a written notice (an “Election Notice”) of such acceptance within sixty (60) days after its receipt of the ROFO Notice (the “Offer Period”).

(iii) If the Offering Securityholder receives a timely Election Notice as described in Section (ii) above, the Non-Transferring Securityholder shall acquire the ROFO Interests in accordance with the terms and conditions (including price) set forth in the ROFO Notice and in this Section 4(b). The closing of any Transfer of ROFO Interests to the Non-Transferring Securityholder who submitted an Election Notice shall be subject to the terms and conditions set forth in the ROFO Notice and shall occur not later than sixty (60) days after the delivery of the Election Notice (the “ROFO Closing”) and, during the period following the delivery of the Election Notice and until the earlier to occur of the ROFO Closing and such 60th day, the parties to such Transfer shall negotiate in good faith in respect of the definitive documentation for the Transfer of the ROFO Interests. At the ROFO Closing, the Non-Transferring Securityholder shall deliver to the Offering Securityholder an amount in cash, or other consideration as deemed acceptable by the Offering Securityholder, in its sole discretion, equal to the purchase price for the ROFO Interests, the Offering Securityholder shall deliver any Transfer documentation reasonably required for the Transfer of the ROFO Interests, and the parties to the Transfer shall deliver any other customary documentation reasonably requested by any party thereto. The parties to the Transfer shall make customary representations and warranties including with respect to title to the ROFO Interests, authority and enforceability but

will not be required to make any representations or warranties with respect to the Company or its business.

(iv) If the Non-Transferring Securityholder does not elect to exercise its ROFO rights pursuant to this Section 4(b), and provided the Offering Securityholder has put in place adequate protections for confidential information of the Company and of the Securityholders, the Offering Securityholder may, subject to such Offering Securityholder's obligations as a "Transferor" pursuant to Section 4(c), solicit offers for the ROFO Interests from any Person and may Transfer such ROFO Interests at any time within one hundred and eighty (180) days following the end of the Offer Period, at a price that is not less than the proposed purchase price the Offering Securityholder set forth in the ROFO Notice and on other terms and conditions not materially less favorable to the transferee in the aggregate than those set forth in the ROFO Notice, subject (x) if the Offering Securityholder is CSI, its Affiliates and Permitted Transferees, to the consent of AirBoss, in its sole and absolute discretion, if the sale under this Section 4(b)(iv) would be to a Competitor or Undesirable Buyer, and (y) if the Offering Securityholder is Airboss, its Affiliates and Permitted Transferees, to the consent of CSI, in its sole and absolute discretion, if the sale under this Section 4(b)(iv) would be to an Undesirable Buyer. The Offering Securityholder shall bear all costs incurred by the Offering Securityholder and the Company in connection with a Transfer pursuant to this Section 4(b)(iv). If at the end of such one hundred and eighty (180) day period, the Offering Securityholder has not completed the Transfer of the ROFO Interests, it shall be required to comply with the procedures of this Section 4(b) again prior to Transferring the ROFO Interests.

(c) Tag Along Rights.

(i) At least thirty (30) days prior to any proposed Transfer of Securityholder Shares by AirBoss, its Affiliates and Permitted Transferees, on the one hand, or CSI, its Affiliates and Permitted Transferees, on the other hand (except Transfers (x) described in Sections 4(a)(ii), 4(a)(iii), 4(a)(iv) or 4(a)(v) above or (y) made pursuant to the Section 4(b)(iii)) (the Transferring party, the "Transferor") shall deliver a written notice (the "Sale Notice") to the Company and to each other Securityholder holding Securityholder Shares of each class to be Transferred, specifying in reasonable detail (i) the identity of the prospective transferee(s), (ii) the type, class or series, and the number of Securityholder Shares to be transferred and (iii) the terms and conditions of the Transfer, including any consideration to be paid in connection with the Transfer. The other Securityholders holding Securityholder Shares of the type, class or series to be Transferred may elect to participate in the contemplated Transfer by delivering written notice to the Transferor (the Securityholders delivering such notice, collectively, the "Electing Securityholders") within twenty (20) days after delivery of the Sale Notice. Each of the Electing Securityholders shall be required to sell in the contemplated Transfer, to the extent such Transfer is consummated, at the same price and on the same terms as set forth in the Sale Notice (provided, that adequate provision shall be made to account for any exercise or conversion prices payable by any Securityholder (or similar amounts) with respect to any rights to acquire Securityholder Shares), a number of each type, class or series of Securityholder Shares specified in the Sale Notice (provided, that in the case of a Transfer of more than one type, class or series of Securityholder Shares, each of such other Securityholders will be required to Transfer the same pro rata strip of Securityholder Shares, based on type, class or series, as the case may be, as is contemplated to be Transferred in the Sale Notice) equal to the product of (x) the quotient

determined by dividing the number of Securityholder Shares of such type, class or series owned by such Securityholder by the aggregate number of Securityholder Shares of such type, class or series owned by the Securityholders (including the Transferor) participating in such Transfer and (y) the aggregate number of Securityholder Shares of such type, class or series to be sold in the contemplated Transfer. The Transferor shall be entitled to sell in the contemplated Transfer, at the same price and on the same terms, all Securityholder Shares to be sold in the contemplated Transfer which are not properly elected to be sold by the other Securityholders).

(ii) Each Securityholder participating in the contemplated Transfer shall take all reasonably necessary and desirable actions as directed by the Transferor in connection with the consummation of such Transfer, including executing the applicable purchase agreement. Notwithstanding the foregoing, in connection with such Transfer (A) no Securityholder will be required to grant any indemnification rights except indemnification rights which constitute identical indemnification rights to those granted by the Transferor (pro rata based upon the consideration received and not joint and several (or the equivalent under the laws of the Province of Quebec), other than any such obligations that relate solely to a particular Securityholder, such as indemnification with respect to representations and warranties made by a Securityholder with respect to such Securityholder (or such Securityholder's ownership of securities in the Company) or covenants made by such Securityholder, in respect of which only such Securityholder shall be liable); (B) each Securityholder shall receive in exchange for the Securityholder Shares transferred by such Securityholder, the same portion of the aggregate consideration from such Transfer that such Securityholder would have received if the aggregate consideration received with respect to all Securityholder Shares included in the Transfer (provided, that the out-of-pocket costs and expenses incurred by the Transferor in connection with the contemplated Transfer under this Section 4(c) that are not otherwise paid by the Company or the acquiring party shall reduce such aggregate consideration and such amount shall be paid to the Transferor as a reimbursement for such costs), had been distributed by the Company in complete liquidation pursuant to the rights and preferences set forth in the Articles of Incorporation (presuming for such purpose that the Securityholder Shares sold in such Transfer are all the outstanding Securityholder Shares) and (C) no Securityholder shall be required to make any representation or warranty that is not made by all other Securityholders participating in such Transfer.

(d) Permitted Transfers. Notwithstanding anything to the contrary herein, the restrictions contained in Sections 4(b) and 4(c) shall not apply with respect to any Transfer of Securityholder Shares by any Securityholder (i) in the case of an individual Securityholder, pursuant to applicable laws of descent and distribution or to any member of such Securityholder's Family Group or (ii) in the case of any entity, (x) among its Affiliates, or the partners (including limited partners) or employees of it or its Affiliates, or (y) to any employee or director of the Company or any Affiliate of the Company; provided, that the restrictions contained in Sections 4(a), 4(b) and 4(c) shall continue to be applicable to such Securityholder Shares after any such Transfer; and provided, further, that in the case of any Transfer to an Affiliate of any entity under clause (ii), if such transferee ceases to be an Affiliate of such Transferring entity, such transferee shall re-Transfer the Securityholder Shares transferred by such Securityholder back to the Transferring entity or to another Affiliate thereof and, pending such re-Transfer, such transferee shall not have any rights under this Agreement or the Articles of Incorporation in respect of such Securityholder Shares transferred by such Securityholder. All

transferees permitted under this Section 4(d) are collectively referred to herein as “Permitted Transferees.”

(e) Permitted Security. Notwithstanding anything to the contrary herein, AirBoss and its Affiliates shall be permitted to pledge their Securityholder Shares to secure *bona fide* third-party financing.

(f) Non Circumvention. No Securityholder which is not an individual shall permit the Transfer of any of its equity or register the Transfer of any of its equity on its books, to the extent such Transfer is intended to effect a Transfer of the Shares held by such Securityholder in circumvention of the restrictions contained herein.

(g) Registration Rights. In the event of an initial public offering of the Company or a successor, (i) all Securityholders shall be provided with customary piggyback registration rights with respect to the initial public offering and subsequent public offerings, subject to customary restrictions and cutbacks, and (ii) following the initial public offering, each of CSI and AirBoss will be provided with the same mutually agreed upon demand registration rights (subject to the piggyback rights described above).

## 5. Sale of the Company.

(a) (i) At any time after the third (3<sup>rd</sup>) anniversary of the date of this Agreement, but subject to the provisions of Section 10, the Requesting Party shall have the right, but not the obligation, to cause a Sale of the Company in accordance with the terms of this Section 5 (an “Approved Sale”), at the Company’s expense. The Requesting Party shall initiate such action by giving written notice (an “Approved Sale Notice”) to the Company as provided in Section 10. If the Requesting Party delivers an Approved Sale Notice, the Company shall initiate a process to seek a Sale of the Company and the Requesting Party shall, in consultation with CSI or AirBoss, as the case may be, direct and control all material decisions in connection therewith (including the hiring or termination of any investment bank or professional adviser and making all material decisions regarding valuation and consideration) and (ii) the Company, CSI, AirBoss and their respective Affiliates and Permitted Transferees shall participate in, and cooperate in good faith with, such process, in each case as requested by the Requesting Party.

(b) In the event of an Approved Sale, each Securityholder will (i) consent to and raise no objections against the Approved Sale or the process pursuant to which the Approved Sale was arranged, (ii) waive any dissenter’s rights and other similar rights and (iii) if the Approved Sale is structured as a sale of securities, each Securityholder will agree to sell its Securityholder Shares (and any other equity of the Company) on the same terms and conditions of the Approved Sale; provided, that such Approved Sale shall be subject (x) if the Requesting Party is CSI, its Affiliates and Permitted Transferees, to the consent of AirBoss, in its sole and absolute discretion, if the Approved Sale would be to a Competitor or Undesirable Buyer, and (y) if the Requesting Party is AirBoss, its Affiliates and Permitted Transferees, to the consent of CSI, in its sole and absolute discretion, if the Approved Sale would be to an Undesirable Buyer, and, provided further, that if the equity valuation of the Company underlying the Approved Sale is less than 90% of the equity value of the Company implied by the Fair Market Value as determined pursuant to Section 10(a), then CSI or Airboss, as the case may be, shall have a

further right of first offer (in accordance with Section 4(b), except that Offer Period for such purpose shall be only fifteen (15) days) on the same terms and conditions as the Approved Sale, and if CSI or Airboss, as the case may be, does not accept such offer, the Approved Sale to the applicable third-party buyer may proceed. The Company and each Securityholder will take all necessary and/or desirable actions as reasonably directed by the Requesting Party in connection with the consummation of any Approved Sale, including executing the applicable transaction agreements.

(c) The foregoing obligations of each Securityholder with respect to an Approved Sale are subject to the satisfaction of the following conditions: (i) such Approved Sale shall be a bona fide Sale of the Company to a party which is not an Affiliate of the Company, AirBoss or CSI, (ii) upon the consummation of such Approved Sale, each Securityholder, to the extent such Securityholder is receiving any consideration, shall receive the same form of consideration as each other Securityholder (except that a member of management may, with such member's consent, receive securities pursuant to a management "rollover" which are not offered to all Securityholders), (iii) the aggregate consideration payable upon consummation of such Approved Sale to all Securityholders in respect of their Securityholder Shares (the "Aggregate Consideration") shall be apportioned to and distributed among the Securityholder Shares transferred in the Approved Sale in accordance with the distribution priorities set forth in the Articles of Incorporation as in effect immediately prior to such Approved Sale (presuming for such purpose that the Securityholder Shares transferred pursuant to the Approved Sale are all the outstanding Securityholder Shares) (the "Distribution Priorities"); (iv) subject to clause (d)(ii) below, if any holders of a series or class of Securityholder Shares are given an option as to the form and amount of consideration to be received, each holder of such series or class of Securityholder Shares shall be given the same option on a pro rata basis (except that (x) a member of management may, with such member's consent, receive securities pursuant to a management "rollover" which are not offered to all Securityholders); and (v) each holder of then currently exercisable rights to acquire Securityholder Shares shall be given an opportunity to exercise such rights prior to the consummation of the Approved Sale and participate in such sale as a holder of such class of Securityholder Shares. Each Securityholder acknowledges that, depending upon the amount of aggregate consideration to be distributed in connection with the Approved Sale, certain classes or series of Securityholder Shares may receive less consideration per Share than other classes or series of Securityholder Shares, and certain classes or series may receive no consideration in the Approved Sale.

(d) Notwithstanding the foregoing but subject to clause (e) below, (i) Company expenses (including reasonable out-of-pocket costs and expenses incurred by CSI, AirBoss and their Affiliates in connection with the Approved Sale), purchase price adjustments, escrow amounts, purchase price holdbacks, indemnity obligations and other similar items, shall be deemed to reduce (or increase, as the case may be, i.e. in the case of a purchase price adjustment increase or an indemnity payment in favor of the Securityholders) the Aggregate Consideration for purposes of determining the apportionment thereof in accordance with the Distribution Priorities (except that indemnification obligations that relate solely to a particular Securityholder, such as indemnification with respect to representations and warranties made by a Securityholder with respect to such Securityholder (or such Securityholder's ownership of securities in the Company) or covenants made by such Securityholder, shall be borne only by such Securityholder and shall not be deemed to reduce the Aggregate Consideration), (ii) non-cash

consideration (including debt and equity securities) shall be allocated among the Securityholder Shares transferred in the Approved Sale in accordance with the Distribution Priorities after all cash consideration is so allocated (except that a member of management may, with such member's consent, receive securities pursuant to a management "rollover" which are not offered to all Securityholders), (iii) cash amounts paid to the Securityholders following the applicable closing (i.e. purchase price adjustment increases, earnout payments, escrow and holdback releases, and similar items) shall be allocated among the Securityholder Shares as such amounts would have been allocated at the applicable closing had such amounts been included in the Aggregate Consideration and apportioned in accordance with the Distribution Priorities, and (iv) amounts payable directly by the Securityholders (rather than from escrow or holdback) following the applicable closing (i.e. pursuant to purchase price adjustment decreases, indemnity obligations, and similar items) shall be allocated among the Securityholder Shares transferred in the Approved Sale (and paid accordingly by the Securityholders which held such Securityholder Shares as of the applicable closing) to reflect the reduction in consideration, if any, which each Securityholder Share transferred in the Approved Sale would have suffered at the applicable closing had such amounts been deducted from the Aggregate Consideration for purposes of determining the apportionment in accordance with the Distribution Priorities (except that indemnification obligations that relate solely to a particular Securityholder, such as indemnification with respect to representations and warranties made by a Securityholder with respect to such Securityholder (or such Securityholder's ownership of securities in the Company) or covenants made by such Securityholder, shall be borne only by such Securityholder and shall not be deemed to reduce the Aggregate Consideration).

(e) Notwithstanding anything to the contrary contained in this Section 5, in connection with an Approved Sale: (i) no Securityholder will be required to grant any indemnification rights except indemnification rights which substantially reflect the provisions of clause (d) above, (ii) no Securityholder shall be required to make any representation or warranty that is not made by all other Securityholders (except that each Securityholder shall be required to make representations and warranties with respect to the Company and its Subsidiaries that are made by all other Securityholders (which representations shall be several and not joint (or the equivalent under the laws of the Province of Quebec))), (iii) no Securityholder shall be obligated to join in any indemnification obligation with respect to any representation and warranty made by another Securityholder that is not made by all Securityholders in connection with such Approved Sale; (iv) no Securityholder shall be obligated to indemnify any Person with respect to an amount in excess of the cash proceeds paid to such Securityholder in connection with such Approved Sale and (v) no Securityholder shall be obligated to indemnify any Person for breaches of or inaccuracies in representations and warranties with respect to the Company and its Subsidiaries or breaches of covenants of the Company and its Subsidiaries in excess of such Securityholder's *pro rata* portion of such liability (based on the Aggregate Consideration received by such Securityholder in such Approved Sale).

#### 6. Preemptive Rights.

(a) Except for Equity Interests issued to employees of the Company and its Subsidiaries pursuant to an Equity Incentive Plan, if at any time after the date hereof the Company wishes to issue any Equity Interest to any Person or Persons, the Company shall promptly deliver to each Securityholder a written notice of such intention (a "Notice of

Issuance”), setting forth (i) a description of the Equity Interests to be issued, (ii) the aggregate number of Equity Interests to be issued (the “Sale Amount”), (iii) the proposed purchase price and (iv) the other material terms of such issuance. Upon a Securityholder’s receipt of the Notice of Issuance, such Securityholder shall have the right to elect to purchase, at the price and on the terms stated in the Notice of Issuance, up to the percentage of the Sale Amount equal to such Securityholder’s Pro Rata Share (the amount so elected, such Securityholder’s “Elected Amount”). Such election shall be made by such Securityholder by written notice to the Company within fifteen (15) days after receipt by such Securityholder of the Notice of Issuance (the “Acceptance Period”). In the event that any Securityholder does not elect to purchase the maximum number of Equity Interests which such Securityholder was entitled to purchase as described in the prior sentence, the Company shall offer the Equity Interests which such Securityholder was entitled to purchase as described in the prior sentence but which Securityholder did not elect to purchase (the “Unpurchased Interests”) to the Securityholders who elected to purchase the maximum number of Equity Interests they were entitled to purchase pursuant to the previous sentence. Each of such Securityholders may elect, by written notice to the Company within two business days of receipt of such offer, to purchase all or a portion of the Unpurchased Interests. If such Securityholders deliver notices electing to purchase more than the total number of Unpurchased Interests, the Unpurchased Interests shall be allocated on a pro-rata basis based on the number of Unpurchased Interests elected to be purchased by each such Securityholder.

(b) If effective acceptance shall not have been received pursuant to paragraph (a) above in respect of all the Equity Interests to be issued (or to the extent such Equity Interests are not purchased by the Securityholders electing to purchase such Equity Interests within the timeframe described below), then the Company may, at its election, during a period of 120 days following the expiration of the Acceptance Period, sell and issue the remaining portion of the Sale Amount to any Person at a price and upon terms no more favorable to such Person than those stated in the Notice of Issuance; provided, that none of the remaining portion of the Sale Amount may be issued to any Securityholder or any of such Securityholder’s Affiliates unless such Securityholder shall have elected to purchase the maximum number of Equity Interests that such Securityholder was otherwise entitled to elect to purchase as described in the second sentence of Section 6(a). In the event the Company has not sold the entire Sale Amount within such 120 day period, the Company shall not thereafter sell or issue any such Equity Interests without once again offering such securities to each Securityholder in the manner provided in Section 6(a).

(c) If a Securityholder gives the Company notice, pursuant to the provisions of this Section 6, that such Securityholder desires to purchase any of the Sale Amount, payment therefor shall be by check or wire transfer, against delivery of the securities at the executive offices of the Company within ten (10) days after giving the Company such notice, or, if later, a closing date as mutually agreed between the Company and such Securityholder for the sale of such Equity Interests.

(d) The Company and each Securityholder represents and warrants that it is not a party to any agreement other than this Agreement with any Persons relating to any right of first refusal or preemptive right upon issuances of Equity Interests.

(e) Notwithstanding anything to the contrary in this Section 6, the Company shall be permitted to issue any Equity Interest without complying with the provisions of this Section 6 so long as (i) the Company gives prompt written notice to the Securityholders of such issuance, which notice shall describe in reasonable detail the Equity Interests which were issued and the issue price thereof and (ii) the Company takes all steps reasonably necessary to enable such Securityholders to effectively exercise their respective rights under this Section 6 as promptly as reasonably practicable after such issuance on the terms specified in Section 6(a), 6(b) and 6(c) and in a manner that affords each such Securityholder electing to exercise such rights all of the rights and benefits it would have received if each such Securityholder had purchased such Equity Interests contemporaneously with such issuance.

7. Legend. In addition to any legend required by any other Transaction Document, any certificate evidencing Securityholder Shares and any certificate issued in exchange for or upon the transfer of any Securityholder Shares (if such Shares remain Securityholder Shares as defined herein after such Transfer) shall be stamped or otherwise imprinted with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON \_\_\_\_\_, \_\_\_\_\_, AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO A SECURITYHOLDERS AGREEMENT DATED AS OF [\_\_\_\_], 2019, BY AND AMONG THE ISSUER OF SUCH SECURITIES (THE “COMPANY”) AND CERTAIN OF THE COMPANY’S SECURITYHOLDERS. A COPY OF SUCH SECURITYHOLDERS AGREEMENT WILL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) [insert the distribution date], AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY OF CANADA.”

The Company shall imprint such legend on any certificates evidencing Securityholder Shares outstanding prior to the date hereof. The legend set forth above shall be removed from the certificates evidencing any Shares which cease to be Securityholder Shares.

8. Transfers in Violation of Agreement. Any Transfer or attempted Transfer of any Securityholder Shares in violation of any provision of this Agreement shall be null and void, and the Company shall not record such Transfer on its books or treat any purported transferee of such Securityholder Shares as the owner of such Shares for any purpose.

## 9. Transfer of Securityholder Shares.

(a) Securityholder Shares are transferable only pursuant to (i) a Public Sale (ii) subject to the provisions of Section 4 above, Rule 144A (or any similar rule or rules then in effect) of the SEC if such rule is available, (iii) subject to the provisions of Section 4 and Section 9(b), an exemption from prospectus requirements under Applicable Canadian Securities Laws, and (iv) subject to the provisions of Section 4 and Section 9(b), any other legally available means of Transfer.

(b) In connection with the Transfer of any Securityholder Shares other than a Transfer described in clause (i) or (ii) of Section 9(a) above, the holder thereof shall deliver (i) written notice to the Company at least ten (10) days prior to such proposed Transfer describing in reasonable detail the proposed Transfer and (ii) to the Company, prior to the consummation of such Transfer, an opinion of counsel reasonably acceptable to the Company to the effect that such Transfer of Securityholder Shares may be effected without registration of such Securityholder Shares under the Securities Act or filing of a prospectus under Applicable Canadian Securities Laws (to the extent the Company requests such an opinion). Notwithstanding anything to the contrary in this Agreement, no Transfer or issuance of any Securityholder Shares shall be permitted unless and until the prospective transferee agrees to become a party to this Agreement and be bound by all the terms and conditions hereof by executing and delivering to the Company, a joinder to this Agreement substantially in the form of Exhibit A attached hereto.

(c) Upon the request of a holder of Securityholder Shares, the Company shall promptly supply to such Person or its prospective transferees all information regarding the Company required to be delivered in connection with a Transfer pursuant to Rule 144A (or any similar rule or rules then in effect) of the SEC.

## 10. Liquidity Rights.

(a) Once per calendar year (for each Requesting Party), beginning after the third (3<sup>rd</sup>) anniversary of the date hereof, CSI, on the one hand, and AirBoss, on the other hand (in either case, the “Requesting Party”), shall, to the extent such Person or its Affiliates or Permitted Transferees hold, in the aggregate, at least 20% of the total issued and outstanding Shares, have the right to engage, at the Company’s expense, Houlihan Lokey (or if Houlihan Lokey is not available or elects not to be so engaged, another Person similarly experienced in respect of valuing companies such as the Company, as is reasonably acceptable to CSI and AirBoss) (in either case, the “Appraiser”) to determine the Fair Market Value of the Securityholder Shares then held by the Requesting Party and its Affiliates and Permitted Transferees. For such purpose, “Fair Market Value” shall mean, as of the date of determination, the amount the holders of such Securityholder Shares would receive with respect to such Securityholder Shares pursuant to the Distribution Priorities if the Company was the subject of an arm’s-length equity sale between a willing buyer and a willing seller in a free market, and the net proceeds of such sale (after repayment of any indebtedness and transaction expenses) were distributed with respect to the Company’s outstanding Securityholder Shares in accordance with the Distribution Priorities. For the avoidance of doubt, no minority or illiquidity discount shall be applied in calculating Fair Market Value. The Company shall use its commercially reasonable efforts to cause the

Appraiser to deliver its determination of the Fair Market Value of the applicable Securityholder Shares to CSI and AirBoss within 30 days after the Appraiser is engaged. If CSI, on the one hand, or AirBoss, on the other hand (in either case, the “Disputing Party”), dispute the Fair Market Value determined by the Appraiser, notice of such dispute must be delivered in writing to the other party within 20 days following receipt of the Appraiser’s determination of the Fair Market Value (the “Dispute Notice”). Upon delivery of the Dispute Notice, the Disputing Party shall be entitled to engage, at the Company’s expense, another Person similarly experienced as the Appraiser in respect of valuing companies such as the Company, as is reasonably acceptable to the other party (the “Second Appraiser”), to determine the Fair Market Value of the Securityholder Shares then held by the Requesting Party and its Affiliates and Permitted Transferees. The Company shall use its commercially reasonable efforts to cause the Second Appraiser to deliver its determination of the Fair Market Value of the applicable Securityholder Shares to CSI and AirBoss within 30 days after the Second Appraiser is engaged. If the differential between the Fair Market Value determined by the Second Appraiser and the Fair Market Value determined by the Appraiser is equal to or greater than 5%, then the Fair Market Value shall be the mid-point between the two determinations. If the differential between the Fair Market Value determined by the Second Appraiser and the Fair Market Value determined by the appraiser is less than 5%, then the Fair Market Value shall be as determined by the Appraiser.

(b) Within 30 days of its receipt of the Appraiser’s determination, or Second Appraiser’s determination, as applicable, the Requesting Party shall have the right to elect to offer not less than all of the Securityholder Shares then held by the Requesting Party, its Affiliates and its Permitted Transferees to CSI or AirBoss, as the case may be, at the price determined pursuant to Section 10(a), and on such other terms and conditions as are reasonable and customary in respect of such a sale. Such offer shall be made pursuant to the terms of Section 4(b), and such Section shall govern CSI’s and AirBoss’ rights and obligations in respect thereof, provided that notwithstanding the terms of Section 4(b), if such offer is made and CSI or AirBoss, as the case may be, does not purchase the offered Securityholder Shares pursuant to the terms of this Section 10 and Section 4(b), the Requesting Party shall be entitled, once per calendar year, to initiate the Approved Sale process set forth in Section 5 by delivering written notice of its election to do so to the Company within ninety (90) days of the end of the Offer Period.

(c) Notwithstanding anything herein or in the Articles of Incorporation to the contrary, in respect of any sale or other disposition of the Company (including by sale of assets, sale of equity, merger, amalgamation, consolidation or otherwise) including sales of Securityholder Shares contemplated by this Agreement (including pursuant to Sections 4, 5 and 10, and, for certainty, not including Section 15), CSI, its Affiliates and Permitted Transferees’ shall, at CSI’s expense, have the right to structure its participation in such sale or other transaction as a sale of the equity of CSI by CSH. If CSI elects to have CSH sell the equity of CSI, the Company and the Securityholders shall take all necessary and/or desirable actions as directed by CSI to provide for such a structure, including, as necessary, a reorganization of the Company or its applicable Subsidiary to facilitate such structure, provided that such reorganization does not materially harm AirBoss. CSI, its Affiliates and Permitted Transferees shall not suffer any discount or other negative consequences vis a vis the other holders of Securityholder Shares as a result of its election to structure its participation in any such sale or other transaction as a sale of the equity of CSI by CSH.

11. Affirmative Covenants. For so long as CSI, its Affiliates and Permitted Transferees, in the aggregate, hold at least 20% of the total issued and outstanding Shares, unless otherwise approved in writing by CSI, the Company shall, and shall cause each of its Subsidiaries to:

(a) cause all properties owned by it or used or held for use in the conduct of its business to be maintained and kept in good condition, repair and working order (reasonable wear and tear excepted) and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Board may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times;

(b) take all actions required to ensure the Company and each of its Subsidiaries remains duly organized, validly existing, and maintain all requisite licenses and franchises required to conduct its business;

(c) use commercially reasonable efforts to (x) maintain good relationships with the customers, suppliers and other material business relations of the Company and its Subsidiaries, and (y) to keep available the services of its officers and other key employees;

(d) maintain the books, accounts and records of the Company and its Subsidiaries in accordance with IFRS;

(e) comply with all material legal requirements of the jurisdictions in which the Company's business is conducted and material contractual obligations applicable to the operations and business of the Company and its Subsidiaries, and pay all applicable taxes as they become due and payable; provided that the Company shall not be required to pay or discharge or cause to be paid or discharged any claim, demand or tax amount, the applicability or validity of which is being contested in good faith by appropriate proceedings;

(f) permit representatives of CSI and its agents (including their counsel, accountants and consultants) to have reasonable access during business hours to the Company's and its Subsidiaries' books, records, facilities, key personnel, officers, directors, customers, independent accountants and legal counsel; and

(g) otherwise operate in the ordinary course of business.

12. Negative Covenants. For so long as CSI, its Affiliates and Permitted Transferees, in the aggregate, hold at least 20% of the total issued and outstanding Shares, unless otherwise approved in writing by CSI, the Company shall not, and shall cause each of its Subsidiaries not to:

(a) amend or modify any of the Company's or its Subsidiaries' constating documents in a way that could reasonably be expected to be materially adverse to CSI;

(b) except as permitted by this Agreement, increase or decrease the authorized number of directors of the Board or any Sub Board;

(c) except as required under applicable law, liquidate, dissolve or wind up the affairs of the Company or any of its Subsidiaries, including a bankruptcy or the appointment of a receiver or receiver-manager;

(d) change the Company's or any of its Subsidiaries' principal businesses or enter into a new line of business that is materially different from the principal businesses of the Company and its Subsidiaries;

(e) create, authorize the creation of, or issue any equity security or any security or other right convertible into or exercisable for any equity security (or any phantom equity, stock appreciation right or other similar right, or amend any existing such right), redeem or repurchase any equity security, declare any dividends or distributions in respect of its equity, or effect an initial public offering;

(f) incur Indebtedness in excess of \$2,000,000, other than the third party secured debt financing described in Section 7.12 of the Contribution Agreement;

(g) sell, license, lease, transfer, assign, abandon or otherwise dispose of any of its material assets or mortgage, pledge, hypothec, or impose any lien upon any of its material assets, in each case, other than in the ordinary course of business;

(h) establish or invest in a Subsidiary or joint venture;

(i) make any capital expenditures in excess of \$2,000,000 in the aggregate not contemplated by the then-current approved annual budget;

(j) hire or terminate the Chief Executive Officer (or person acting in a similar capacity), or materially change the terms of employment of any such officer, including in respect of benefits and incentive compensation;

(k) change the Company's and its Subsidiaries' auditors or materially change the accounting policies of the Company and its Subsidiaries, except as required by law;

(l) change the location of the Company's and its Subsidiaries' principal executive offices;

(m) acquire by merger, amalgamation or consolidation with, or by purchase of a substantial portion of the assets or securities of, or by any other manner, any business or any Person or any division thereof, or of any material assets, or the acquisition of any equity interests in, any Person;

(n) enter into any contract or other transaction with any Affiliate of AirBoss, except in the ordinary course of business and on terms and conditions not less favourable to the Company and its Subsidiaries than would reasonably be expected to be obtained on an arm's length basis from unrelated third-parties;

(o) make any loan or advance to any person or entity, including any employee or director, except advances and similar expenditures in the ordinary course of business;

(p) making or agreeing to make payments of any nature to a member of the Board or a Sub Board or changing the basis for any payment previously agreed with any member of the Board or a Sub Board (other than reimbursement of reasonable and documented expenses);

(q) exclusively license any intellectual property or enter into an exclusive distribution or partnership agreement relating to the Company's or one of its Subsidiaries' intellectual property, except in the ordinary course of business; or

(r) commence or settle any material litigation; or

(s) enter into any agreement to effect any of the foregoing.

13. Information Rights. For so long as CSI or one of its Affiliates or Permitted Transferees hold any Securityholder Shares, the Company shall deliver to CSI:

(a) as soon as available, but in any event within thirty (30) days after the end of each month (other than any month that ends on or about the last day of a quarterly accounting period), (i) internally prepared consolidated statements of income and cash flows of the Company for such month and for the period from the beginning of the fiscal year to the end of such month, (ii) the related consolidated balance sheets of the Company as of the end of such month, setting forth in each case comparisons to the Company's annual budget and to the corresponding period in the preceding fiscal year, and (iii) internally prepared statements setting forth the operating statistics and/or metrics of the Company for such month and for the period from the beginning of the fiscal year to the end of such month, and all such statements shall be certified by the Company's chief financial officer;

(b) as soon as available but in any event within forty-five (45) days after the end of each quarterly accounting period in each fiscal year, (i) unaudited consolidated statements of income and cash flows of the Company for such quarterly period and for the period from the beginning of the fiscal year to the end of such quarter, (ii) unaudited consolidated balance sheets of the Company as of the end of such quarterly period, setting forth in each case comparisons to the Company's annual budget and to the corresponding period in the preceding fiscal year, and (iii) unaudited consolidated statements setting forth the operating statistics and/or metrics of the Company for such quarterly period and for the period from the beginning of the fiscal year to the end of such quarter, and all such statements shall be prepared in accordance with IFRS (except as to the absence of notes and comparative balances with respect to unaudited financial statements) and shall be certified by the Company's chief financial officer;

(c) within ninety (90) days after the end of each fiscal year, consolidated statements of income and cash flows and operating statistics and/or metrics of the Company for such fiscal year, and consolidated balance sheets of the Company as of the end of such fiscal year, setting forth in each case comparisons to the Company's annual budget and to the preceding fiscal year, all prepared in accordance with IFRS, certified by an independent certified public accountant firm selected by the Board and accompanied by a copy of such firm's annual management letter to the Board;

(d) promptly upon receipt thereof, any additional reports, management letters or other detailed information concerning significant aspects of the operations or financial affairs of

the Company given to the Company by its independent accountants (and not otherwise contained in other materials provided hereunder);

(e) prior to the beginning of each fiscal year but in any event no later than forty-five (45) days prior thereto, a proposed annual budget prepared on a monthly basis for the Company for such fiscal year (displaying anticipated statements of income and cash flows and balance sheets), and promptly upon preparation thereof any other significant budgets prepared by the Company and any revisions of such annual or other budgets, and within thirty (30) days after any monthly period in which there is a material adverse deviation from the annual budget, certificate of the Company's chief financial officer explaining the deviation and what actions the Company has taken and proposes to take with respect thereto;

(f) (or cause any current or future direct or indirect subsidiary to deliver to CSI) all such information, records and reasonable access to employees of the Company and its current or future direct or indirect subsidiaries as CSI may reasonably require from time to time in connection with the preparation and filing of tax returns or other tax filings or correspondence with a Governmental Body, including information necessary to (i) prepare and file Forms 5471 and/or to compute any required inclusions under Section 951(a) or 951(A)(a) of the Code or (ii) to determine if the Company or any current or future direct or indirect subsidiary is a "passive foreign investment company" (as defined in Section 1297(a) of the Code); and

(g) with reasonable promptness, such other material information and financial data concerning the Company as CSI may reasonably request.

Each of the financial statements referred to in paragraphs (a) through (c) shall be true and correct in all material respects as of the dates and for the periods stated therein, subject in the case of the unaudited financial statements to changes resulting from normal year-end adjustments for recurring accruals.

14. US LP and the General Partner. The parties hereto acknowledge that the intention of the parties is that in general the Securityholders (together with their Affiliates) will own the Company, the General Partner and US LP in the same corresponding percentages. In that regard, notwithstanding anything herein or in the other Transaction Documents to the contrary, (i) any Transfer of Securityholder Shares (whether pursuant to Section 4, Section 15 or otherwise) shall be conditioned upon a contemporaneous Transfer by the transferring Securityholder (or one or more of its Affiliates) to the same transferee (or an Affiliate thereof) of the same *pro rata* portion of such Securityholder's and its Affiliates' shares in the General Partner and US LP Securityholder Units, and (ii) any purchase of Equity Interests of the Company whether pursuant to the exercise of rights under Section 6 or otherwise, shall be conditioned upon the contemporaneous purchase by the applicable Securityholder (or one or more of its Affiliates) from US LP of the same *pro rata* portion of any Equity Interests of US LP being contemporaneously offered (if any).

15. Claims for Indemnification.

(a) Subject to the provisions set out in Article 9 of the Contribution Agreement, if AirBoss, on the one hand, or CSI, on the other hand (such party the "Claiming Party") is found,

either by mutual agreement or pursuant to a final, non-appealable judgment (being a judgment in respect of which any applicable appeal periods have expired) by a court of competent jurisdiction, to have a valid claim for indemnification under Sections 9.2 or 9.3 of the Contribution Agreement, respectively (the “Claim”), and for which the party responsible for the indemnity payment under the Contribution Agreement (such party the “Indemnifying Securityholder”) has elected to settle by way of the redemption of interests in Securityholder Shares under section 9.2(b) or 9.3(b) of the Contribution Agreement, then the Indemnifying Securityholder shall instruct the Company to redeem and cancel, or, in the case of certificated Securityholder Shares, submit to the Company for redemption and cancellation, such number (including fractional Shares) of AirBoss Original Shares (in the case of a Claim against AirBoss) or CSI Original Shares (in the case of a Claim against CSI) with an Original Value equal to 23% of the amount of the indemnity payment required to be paid pursuant to the Claim (the “Indemnity Shares”) (it being acknowledged that 77% of the amount of the indemnity payment required to be paid pursuant to the Claim shall be satisfied by a redemption of US LP Securityholder Units in accordance with the US LP Securityholders Agreement), and the Company shall thereafter immediately redeem and cancel such AirBoss Original Shares or CSI Original Shares, as the case may be, for an aggregate redemption price of \$1 paid to the Indemnifying Securityholder by the Company.

(b) The redemption of the Indemnity Shares together with the US LP Securityholder Units that are redeemed in respect of the applicable Claim pursuant to Section 15 of the US LP Securityholders Agreement shall fully satisfy and extinguish the Indemnifying Securityholder’s indemnification obligations in respect of such Claim.

16. Amendment and Waiver. Except as otherwise provided herein, no modification, amendment or waiver of any provision of this Agreement shall be effective against the Company or the Securityholders unless such modification, amendment or waiver is approved in writing by the Company and the holders of not less than a majority of the Shares and the holders of not less than a majority of the outstanding CSI Shares; and any such modification, amendment or waiver to which such written approval is obtained will be binding upon the Company and each Securityholder. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms. Notwithstanding anything to the contrary contained in this Agreement, no modification, amendment or waiver of any provision of this Agreement that materially and adversely affects the rights or obligations hereunder of any particular Securityholder or group of Securityholders while not similarly affecting the rights or obligations hereunder of all Securityholders shall be effective against such Securityholder or group of Securityholders unless approved in writing by such Securityholder or the holders of a majority of the Securityholder Shares held by such group of Securityholders, as the case may be. Notwithstanding anything to the contrary, the joinder of any Person to this Agreement shall not require the written consent of any Person except the Company.

17. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not

affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

18. Entire Agreement. Except as otherwise expressly set forth herein, this document and the other Transaction Documents embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

19. Successors and Assigns. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and the Securityholders and any subsequent holders of Securityholder Shares and the respective permitted successors and assigns of each of them, so long as they hold Securityholder Shares.

20. Counterparts. This Agreement may be executed in separate counterparts each of which shall be an original and all of which taken together shall constitute one and the same agreement. Facsimile or other electronically transmitted counterpart signatures to this Agreement shall be acceptable and binding.

21. Remedies. The parties hereto shall be entitled to enforce their rights under this Agreement specifically to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that the Company may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief (without posting a bond or other security) in order to enforce or prevent any violation of the provisions of this Agreement.

22. Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given when delivered personally, mailed by certified or registered mail, return receipt requested and postage prepaid, or sent via a nationally recognized overnight courier, or sent via email or facsimile to the recipient. Such notices, demands and other communications will be sent to the Company and the Securityholders at the address set forth below or at such address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

To the Company:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
  
[REDACTED] [REDACTED]

[REDACTED]

with a copy (which shall not constitute notice to the Company) to:

[REDACTED]

To AirBoss:

[REDACTED]

with a copy (which shall not constitute notice to AirBoss) to:

[REDACTED]

To CSI:

[REDACTED]

with a copy (which shall not constitute notice to CSI) to:

[REDACTED]

To any other Securityholder:

To such Securityholder's address set forth in the Company's records from time to time.

**23. GOVERNING LAW. ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY AND INTERPRETATION OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE PROVINCE OF QUEBEC OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE PROVINCE OF QUEBEC.**

24. Jurisdiction. Each of the parties hereto submits to the exclusive jurisdiction and venue of courts of the province of Quebec, in any action or proceeding arising out of or relating to this Agreement and agrees that all claims in respect of the action or proceedings may be heard and determined in any such court and hereby expressly submits to the personal jurisdiction and venue of such court for the purposes hereof and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum. Each of the parties hereto hereby irrevocably consents to the service of process of any of the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to its address referred to in Section 22, such service to become effective ten (10) days after such mailing.

25. Time is of the Essence; Computation of Time. Time is of the essence for each and every provision of this Agreement. Whenever the last day for the exercise of any privilege or the discharge of any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York or Montreal, Quebec, are authorized to be closed, the party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular business day.

26. Descriptive Headings; Interpretation. The title of and the section and paragraph headings in this Agreement are for convenience of reference only and shall not govern or affect the interpretation of any of the terms or provisions of this Agreement. The term "this Agreement" means this Agreement together with all Schedules and Exhibits hereto, as the same may from time to time be amended, modified, supplemented or restated in accordance with the terms hereof. The use in this Agreement of the term "including" and other words of similar import mean "including, without limitation" and where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict in any manner the construction of the general statement to which it relates. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole, including the Schedules and Exhibits, and not to any particular section, subsection, paragraph, subparagraph or clause contained in this Agreement. The use herein of the masculine, feminine or neuter forms shall also denote the other forms, as in each case the context may require or permit. The use herein of terms importing the singular shall also include the plural, and vice versa.

27. Termination of this Agreement. This Agreement shall automatically terminate on the last to occur of the date on which CSI, AirBoss and their Affiliates and Permitted Transferees no longer own or control at least 10% of the outstanding Shares. Notwithstanding anything to the contrary in this Agreement, from and after the time that is immediately prior to (i) the effectiveness of a Securities Act registration statement relating to a public offering of the Company's or a successor corporation's securities or the effectiveness of a distribution or sale of Securityholder Shares to the public for cash by means of a prospectus under Applicable Canadian Securities Laws or (ii) a Sale of the Company, CSI and AirBoss shall have the right, in their mutual discretion, to terminate all or any portion of this Agreement and, following such a termination, the provisions so terminated shall no longer have any force or effect.

*[The remainder of this page is intentionally left blank]*

**IN WITNESS WHEREOF**, the parties hereto have executed this Securityholders Agreement as of the date first above written.

**AIRBOSS DEFENSE GROUP LTD.**

By: \_\_\_\_\_  
Name:  
Title:

**IN WITNESS WHEREOF**, the parties hereto have executed this Securityholders Agreement as of the date first above written.

**AIRBOSS OF AMERICA CORP.**

By: \_\_\_\_\_  
Name:  
Title:

**IN WITNESS WHEREOF**, the parties hereto have executed this Securityholders Agreement as of the date first above written.

**AIRBOSS DEFENSE GROUP, LLC**

By: \_\_\_\_\_  
Name:  
Title:

## EXHIBIT A

### **FORM OF JOINDER TO SECURITYHOLDERS AGREEMENT**

This JOINDER (the "Joinder") to the Securityholders Agreement, dated as of [\_\_\_\_\_], by and among AirBoss Defense Group Ltd., a corporation existing under the laws of Quebec (the "Company"), and certain securityholders of the Company (the "Agreement"), is made as of \_\_\_\_\_, \_\_\_ by and between the Company and \_\_\_\_\_ ("Holder"). Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Agreement.

WHEREAS, Holder has acquired certain Equity Interests ("Holder Units"), and the Agreement and the Company requires Holder, as a holder of Holder Units, to become a party to the Agreement, and Holder agrees to do so in accordance with the terms hereof.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Joinder hereby agree as follows:

1. Agreement to be Bound. Holder hereby agrees that upon execution of this Joinder, it shall become a party to the Agreement and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Agreement as though an original party thereto and shall be deemed a Securityholder for all purposes thereof. In addition, Holder hereby agrees that all Equity Interests held by Holder shall be deemed Securityholder Shares for all purposes of the Agreement.

2. Successors and Assigns. Except as otherwise provided herein, this Joinder shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and Holder and any subsequent holders of Holder Units and the respective successors and assigns of each of them, so long as they hold any Holder Units.

3. Counterparts. This Joinder may be executed in separate counterparts (and may be transmitted via facsimile or other electronic transmission), each of which shall be an original and all of which taken together shall constitute one and the same agreement.

4. Notices. For purposes of Section 22 of the Agreement, all notices, demands or other communications to the Holder shall be directed to:

[Name]  
[Address]  
[Email]  
[Telephone Number]  
[Facsimile Number]

**5. GOVERNING LAW. ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY AND INTERPRETATION OF THIS JOINDER SHALL**

**BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE PROVINCE OF QUEBEC OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE PROVINCE OF QUEBEC.**

6. Descriptive Headings. The descriptive headings of this Joinder are inserted for convenience only and do not constitute a part of this Joinder.

\* \* \* \* \*

**IN WITNESS WHEREOF**, the parties hereto have executed this Joinder as of the date first above written.

[AIRBOSS DEFENSE GROUP LTD.]

By: \_\_\_\_\_

Name:

Title:

[HOLDER]

By: \_\_\_\_\_

Name:

Title: