



**Restated Certificate of
Incorporation**
Canada Business Corporations Act

**Certificat de constitution à
jour**
Loi canadienne sur les sociétés par actions

CHORUS AVIATION INC.

Corporate name / Dénomination sociale

766075-8

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of incorporation of the above-named corporation were restated under section 180 of the *Canada Business Corporations Act* as set out in the attached restated articles of incorporation.

JE CERTIFIE que les statuts constitutifs de la société susmentionnée ont été mis à jour en vertu de l'article 180 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les statuts mis à jour ci-joints.

Raymond Edwards

Director / Directeur

2021-02-23

Date of Restatement (YYYY-MM-DD)
Date de constitution à jour (AAAA-MM-JJ)



**Canada Business Corporations Act (CBCA)
FORM 7
RESTATED ARTICLES OF INCORPORATION
(Section 180)**

1 - Corporate name

CHORUS AVIATION INC.

2 - Corporation number

0766075 - 8

3 - The province or territory in Canada where the registered office is situated (do not indicate the full address)

Ontario

4 - The classes and any maximum number of shares that the corporation is authorized to issue

See attached Schedule A.

5 - Restrictions, if any, on share transfers

None.

6 - Minimum and maximum number of directors (for a fixed number of directors, indicate the same number in both boxes)

Minimum number Maximum number

7 - Restrictions, if any, on the business the corporation may carry on

None.

8 - Other provisions, if any

See attached Schedule B.

9 - Declaration

I hereby certify that I am a director or authorized officer of the corporation and that these restated articles of incorporation correctly set out, without substantive change, the corresponding provisions of the articles of incorporation as amended and supersede the original articles of incorporation.

Signature: signed "Dennis Lopes"

Print name: Dennis Lopes Telephone number: (902) 873-6777

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).

SCHEDULE A

RESTATED ARTICLES OF INCORPORATION

CHORUS AVIATION INC.
(THE “CORPORATION”)

CANADA BUSINESS CORPORATIONS ACT

- I. The classes and any maximum number of shares that the corporation is authorized to issue:**
- (a) Unlimited number of Class A Variable Voting Shares;
 - (b) Unlimited number of Class B Voting Shares; and
 - (c) 80,750,000 Preferred Shares, issuable in series.
- II. The Class A Variable Voting Shares shall have attached thereto the following rights, privileges, restrictions and conditions:**
- (a) **Voting.**
 - (i) The holders of the Class A Variable Voting Shares shall be entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, except where the holders of a specified class shall be entitled to vote separately as a class as provided in the CBCA.
 - (ii) The holders of Class A Variable Voting Shares shall be entitled to one vote per Class A Variable Voting Share unless any of the thresholds set forth in Section II(b), Section II(c) or Section II(d), as the case may be, would otherwise be surpassed at any time, in which case the vote attached to a Class A Variable Voting Share will decrease as described in this Section II below.
 - (b) **Single Non-Canadian Holder**
 - (i) If at any time:
 - (A) a single non-Canadian holder of Class A Variable Voting Shares (a “**Single Non-Canadian Holder**”), either individually or in affiliation with any other person, holds a number of Class A Variable Voting Shares outstanding that, as a percentage of the total number of all voting shares outstanding, exceeds 25% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation), or
 - (B) the total number of votes that would be cast by or on behalf of a Single Non-Canadian Holder, either individually or in affiliation with any other person, at any meeting would exceed 25% (or any

different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Class A Variable Voting Share held by all Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder, will decrease proportionately and automatically without further act or formality only to such extent that, as a result (x) the Class A Variable Voting Shares held by all Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder do not carry in the aggregate more than 25% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding voting shares of the Corporation, and (y) the total number of votes cast by or on behalf of all Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder at any meeting do not exceed in the aggregate 25% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

- (ii) For greater certainty, a single Non-Canadian Holder Authorized to Provide Air Service (as such term is defined in Section II(c)(i)(A)) shall also constitute a Single Non-Canadian Holder for purposes of Section II(b).

(c) **Non-Canadian Holder Authorized to Provide Air Service**

- (i) If at any time:
 - (A) one or more non-Canadians authorized to provide an air service in any jurisdiction (each, a “**Non-Canadian Holder Authorized to Provide Air Service**” and collectively, the “**Non-Canadian Holders Authorized to Provide Air Service**”), collectively hold, either individually or in affiliation with any other person, a number of Class A Variable Voting Shares outstanding that, as a percentage of the total number of all voting shares outstanding, after the application of the automatic proportionate decrease to the votes attached to all of the Class A Variable Voting Shares held by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with Section II(b) (if any, as may be required thereunder), exceeds 25% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation), or
 - (B) the total number of votes that would be cast by or on behalf of Non-Canadian Holders Authorized to Provide Air Service and persons in affiliation with any Non-Canadian Holders Authorized to Provide Air Service at any meeting would, after the application of the

automatic proportionate decrease to the votes attached to all of the Class A Variable Voting Shares held by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with Section II(b) (if any, as may be required thereunder), exceed 25% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Class A Variable Voting Share held by such Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with any Non-Canadian Holders Authorized to Provide Air Service will decrease proportionately and automatically without further act or formality only to such extent that, as a result (x) the Class A Variable Voting Shares held by such Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with any Non-Canadian Holders Authorized to Provide Air Service do not carry in the aggregate more than 25% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding voting shares of the Corporation, and (y) the total number of votes cast by or on behalf of such Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with any Non-Canadian Holders Authorized to Provide Air Service at any meeting do not exceed in the aggregate 25% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

(d) **General – All Holders of Class A Variable Voting Shares**

(i) If at any time:

(A) the number of Class A Variable Voting Shares outstanding, as a percentage of the total number of all voting shares outstanding, after the application of the automatic proportionate decrease to the votes attached to all of the Class A Variable Voting Shares held by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with Section II(b) and after the application of the automatic proportionate decrease to the votes attached to all of the Class A Variable Voting Shares held by Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with any Non-Canadian Holders Authorized to Provide Air Service in accordance with Section II(c) (in each case, if any, as may be required under such Sections), exceeds 49% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation), or

- (B) the total number of votes that would be cast by or on behalf of holders of Class A Variable Voting Shares at any meeting would, after the application of the automatic proportionate decrease to the votes attached to all of the Class A Variable Voting Shares held by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with Section II(b) and after the application of the automatic proportionate decrease to the votes attached to all of the Class A Variable Voting Shares held by Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with any Non-Canadian Holders Authorized to Provide Air Service in accordance with Section II(c) (in each case, if any, as may be required under such Sections), exceed 49% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Class A Variable Voting Share will decrease proportionately and automatically without further act or formality only to such extent that, as a result (i) the Class A Variable Voting Shares do not carry more than 49% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding voting shares of the Corporation, and (ii) the total number of votes cast by or on behalf of holders of Class A Variable Voting Shares at any meeting do not exceed 49% (or any different percentage that may be prescribed by law or regulation of Canada and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

- (ii) References in Section II(a), Section II(b), Section II(c) and Section II(d) to the Class A Variable Voting Shares that a person “holds” or “held” shall refer to and include the Class A Variable Voting Shares held, beneficially owned or controlled, directly or indirectly, by such person.

(e) **Dividends and Distributions.**

Subject to the rights, privileges, restrictions and conditions attaching to the shares of the Corporation of any other class ranking prior to the Class A Variable Voting Shares, the holders of Class A Variable Voting Shares shall, at the discretion of the directors, be entitled to receive, out of monies, assets or property of the Corporation properly applicable to the payment of dividends or distributions, any dividends or distributions declared and payable by the Corporation on the Class A Variable Voting Shares. The Class A Variable Voting Shares and the Class B Voting Shares shall rank equally as to dividends and distributions on a share for share basis and all dividends and distributions declared in any fiscal year of the Corporation shall be declared in equal or equivalent amounts per share on all Class A Variable Voting Shares and Class B Voting Shares at the time outstanding, without preference or distinction.

(f) **Subdivision or Consolidation.**

No subdivision or consolidation of the Class A Variable Voting Shares or the Class B Voting Shares shall occur unless, simultaneously, the shares of the other class are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

(g) **Liquidation, Dissolution or Winding-up.**

Subject to the rights, privileges, restrictions and conditions attaching to the shares of the Corporation ranking prior to the Class A Variable Voting Shares, upon liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets among its shareholders for the purpose of winding up its affairs, the holders of the Class A Variable Voting Shares and the holders of the Class B Voting Shares shall be entitled to receive the remaining property of the Corporation and shall be entitled to share equally, share for share, in all distributions of such assets.

(h) **Conversion.**

(i) Automatic. Each issued and outstanding Class A Variable Voting Share shall be converted into one Class B Voting Share, automatically and without any further act of the Corporation or of the holder, if (i) such Class A Variable Voting Share becomes held, beneficially owned and controlled, directly or indirectly, otherwise than by way of security only, by a Canadian; or (ii) the provisions contained in the CTA relating to foreign ownership restrictions are repealed and not replaced with other similar provisions.

(ii) Upon an Offer. In the event that an offer is made to purchase Class B Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Class B Voting Shares are then listed, to be made to all or substantially all the holders of Class B Voting Shares in a province of Canada to which the requirement applies, each Class A Variable Voting Share shall become convertible at the option of the holder into one (1) Class B Voting Share at any time while the offer is in effect until one (1) day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Class A Variable Voting Shares for the purpose of depositing the resulting Class B Voting Shares in response to the offer and for no other reason, including with respect to voting rights attached thereto, which are deemed to remain subject to Section II(a), Section II(b), Section II(c) and Section II(d), notwithstanding their conversion, and the Transfer Agent shall deposit the resulting Class B Voting Shares on behalf of the holder.

(iii) To exercise such conversion right, the holder or such holder's attorney duly authorized in writing shall:

- (A) give written notice to the Transfer Agent of the exercise of such right and of the number of Class A Variable Voting Shares in respect of which the right is being exercised;
 - (B) deliver to the Transfer Agent the share certificate or certificates representing the Class A Variable Voting Shares in respect of which the right is being exercised; and
 - (C) pay any applicable stamp tax or similar duty on or in respect of such conversion.
- (iv) No share certificates representing the Class B Voting Shares resulting from the conversion of the Class A Variable Voting Shares will be delivered to the holders on whose behalf such deposit is being made.
- (v) If (i) Class B Voting Shares resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the offeror; or (ii) the offer is abandoned or withdrawn by the offeror or the offer otherwise expires without such Class B Voting Shares being taken up and paid for, the Class B Voting Shares resulting from the conversion will be re-converted into Class A Variable Voting Shares and a share certificate representing the Class A Variable Voting Shares will be sent to the holder by the Transfer Agent. Class B Voting Shares resulting from the conversion and taken up and paid for by the offeror shall be re-converted into Class A Variable Voting Shares at the time the offeror is required under the relevant securities legislation to take up and pay for such shares if the offeror is not a Canadian.
- (vi) In the event that the offeror takes up and pays for the Class B Voting Shares resulting from conversion, the Transfer Agent of the Corporation shall deliver to the holders thereof the consideration paid for such shares by the offeror.
- (vii) There will be no right to convert the Class A Variable Voting Shares into Class B Voting Shares in the following cases:
- (A) the offer to purchase Class B Voting Shares is not required under applicable securities legislation or the rules of a stock exchange on which the Class B Voting Shares are then listed to be made to all or substantially all of the holders of Class B Voting Shares in a province of Canada to which the requirement applies, that is, the offer is an “exempt take-over bid” within the meaning of the foregoing securities legislation; or
 - (B) an offer to purchase Class A Variable Voting Shares is made concurrently with the offer to purchase Class B Voting Shares and the two offers are identical in respect of price per share, percentage of outstanding shares for which the offer is made, and in all other material respects, including in respect of the conditions attaching

thereto. The offer to purchase the Class A Variable Voting Shares must be unconditional, subject to the exception that the offer for the Class A Variable Voting Shares may contain a condition to the effect that the offeror is not required to take up and pay for Class A Variable Voting Shares deposited to the offer if no shares are purchased pursuant to the contemporaneous offer for the Class B Voting Shares; or

- (C) holders of Class B Voting Shares representing, in the aggregate, more than sixty-six and two thirds percent (66 2/3%) of the then outstanding Class B Voting Shares (excluding shares owned immediately prior to the offer by the offeror and any joint actor) certify to the Transfer Agent and to the secretary of the Corporation that they will not deposit any shares in response to the offer for the Class B Voting Shares.

III. The Class B Voting Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

(a) Voting.

The holders of Class B Voting Shares shall be entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, except where the holders of a specified class shall be entitled to vote separately as a class as provided in the CBCA. Each Class B Voting Share shall confer the right to one (1) vote in person or by proxy at all meetings of shareholders of the Corporation.

(b) Dividends and Distributions.

Subject to the rights, privileges, restrictions and conditions attaching to the shares of the Corporation of any other class ranking prior to the Class B Voting Shares, the holders of Class B Voting Shares shall, at the discretion of the directors, be entitled to receive, out of monies, assets or property of the Corporation properly applicable to the payment of dividends or distributions, any dividends or distributions declared and payable by the Corporation on the Class B Voting Shares. The Class B Voting Shares and the Class A Variable Voting Shares shall rank equally as to dividends and distributions on a share for share basis and all dividends and distributions declared in any fiscal year of the Corporation shall be declared in equal or equivalent amounts per share on all Class B Voting Shares and Class A Variable Voting Shares at the time outstanding, without preference or distinction.

(c) Subdivision or Consolidation.

No subdivision or consolidation of the Class B Voting Shares or the Class A Variable Voting Shares shall occur unless, simultaneously, the shares of the other class are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

(d) **Liquidation, Dissolution or Winding-up.**

Subject to the rights, privileges, restrictions and conditions attaching to the shares of the Corporation ranking prior to the Class B Voting Shares upon liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets among its shareholders for the purpose of winding up its affairs, the holders of the Class B Voting Shares and the holders of Class A Variable Voting Shares shall be entitled to receive the remaining property of the Corporation and shall be entitled to share equally, share for share, in all distributions of such assets.

(e) **Conversion.**

(i) Automatic. Unless the foreign ownership restrictions of the CTA are repealed and not replaced with other similar restrictions, an issued and outstanding Class B Voting Share shall be converted into one Class A Variable Voting Share, automatically and without any further act of the Corporation or the holder, if such Class B Voting Share becomes held, beneficially owned or controlled, directly or indirectly, otherwise than by way of security only, by a person who is not a Canadian.

(ii) Upon an Offer. In the event that an offer is made to purchase Class A Variable Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Class A Variable Voting Shares are then listed, to be made to all or substantially all the holders of Class A Variable Voting Shares, each Class B Voting Share shall become convertible at the option of the holder into one (1) Class A Variable Voting Share at any time while the offer is in effect until one (1) day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Class B Voting Shares for the purpose of depositing the resulting Class A Variable Voting Shares in response to the offer and for no other reason, including with respect to voting rights attached thereto, which are deemed to remain subject to Section III(a), notwithstanding their conversion, and the Transfer Agent shall deposit the resulting Class A Variable Voting Shares on behalf of the holder.

(iii) To exercise such conversion right, the holder or such holder's attorney duly authorized in writing shall:

(A) give written notice to the Transfer Agent of the exercise of such right and of the number of Class B Voting Shares in respect of which the right is being exercised;

(B) deliver to the Transfer Agent the share certificate or certificates representing the Class B Voting Shares in respect of which the right is being exercised; and

- (C) pay any applicable stamp tax or similar duty on or in respect of such conversion.
- (iv) No share certificates representing the Class A Variable Voting Shares resulting from the conversion of the Class B Voting Shares will be delivered to the holders on whose behalf such deposit is being made.
- (v) If (i) Class A Variable Voting Shares resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the offeror; or (ii) the offer is abandoned or withdrawn by the offeror or the offer otherwise expires without such Class A Variable Voting Shares being taken up and paid for, the Class A Variable Voting Shares resulting from the conversion will be re-converted into Class B Voting Shares and a share certificate representing the Class B Voting Shares will be sent to the holder by the Transfer Agent. Class A Variable Voting Shares resulting from the conversion and taken up and paid for by the offeror shall be re-converted into Class B Voting Shares at the time the offeror is required under the relevant securities legislation to take up and pay for such shares if the offeror is a Canadian.
- (vi) In the event that the offeror takes up and pays for the Class A Variable Voting Shares resulting from conversion, the Transfer Agent of the Corporation shall deliver to the holders thereof the consideration paid for such shares by the offeror.
- (vii) There will be no right to convert the Class B Voting Shares into Class A Variable Voting Shares in the following cases:
 - (A) the offer to purchase Class A Variable Voting Shares is not required under applicable securities legislation or the rules of a stock exchange on which the Class A Variable Voting Shares are then listed to be made to all or substantially all of the holders of Class A Variable Voting Shares, that is, the offer is an “exempt take-over bid” within the meaning of the foregoing securities legislation, or
 - (B) an offer to purchase Class B Voting Shares is made concurrently with the offer to purchase Class A Variable Voting Shares and the two offers are identical in respect of price per share, percentage of outstanding shares for which the offer is made, and in all other material respects, including in respect of the conditions attaching thereto. The offer to purchase the Class B Voting Shares must be unconditional, subject to the exception that the offer for the Class B Voting Shares may contain a condition to the effect that the offeror is not required to take up and pay for Class B Voting Shares deposited to the offer if no shares are purchased pursuant to the contemporaneous offer for the Class A Variable Voting Shares; or
 - (C) holders of Class A Variable Voting Shares representing, in the aggregate, more than sixty-six and two thirds percent (66 2/3%) of

the then outstanding Class A Variable Voting Shares (excluding shares owned immediately prior to the offer by the offeror and any joint actor) certify to the Transfer Agent and to the secretary of the Corporation that they will not deposit any shares in response to the offer for the Class A Variable Voting Shares.

IV. Constraints on Ownership of Shares

(a) **Class A Variable Voting Shares.**

The Class A Variable Voting Shares may only be held, beneficially owned or controlled, directly or indirectly, by persons who are not Canadians.

(b) **Class B Voting Shares.**

The Class B Voting Shares may only be held, beneficially owned and controlled, directly or indirectly, by Canadians.

(c) **CBCA Constraints.**

In the event that any law or regulation of Canada applicable to the Corporation should become prescribed for the purposes of Subsection 46(1) or Subsection 174(1)(c) of the CBCA, these Articles shall be read as if they included constraints in order to assist the Corporation or any of its affiliates or associates (as such terms are defined in the CBCA) to qualify under such prescribed law or regulation to receive licences, permits, grants, payments or other benefits by reason of attaining or maintaining a specified level of Canadian ownership or control and such specified level of Canadian ownership or control shall be the level of Canadian ownership or control designated by such prescribed law or regulation of Canada.

(d) **Joint Ownership.**

(i) For the purposes of this Schedule A, where voting shares of the Corporation are held, beneficially owned or controlled by several persons jointly, the number of voting shares held, beneficially owned or controlled by any one such person shall include the number of voting shares held, beneficially owned or controlled jointly with such other persons.

(ii) Where one or more of the joint holders, beneficial owners or persons controlling the voting shares is not a Canadian, the voting shares held, beneficially owned or controlled jointly are deemed to be held, beneficially owned or controlled, as the case may be, by such person who is not a Canadian.

(e) **Exceptions.**

(i) Nothing in this Section IV shall be construed to apply in respect of voting shares of the Corporation that:

- (A) are held by one or more underwriters solely for the purpose of distributing the shares to the public; or
 - (B) are held by any person that is acting in relation to the shares solely in its capacity as an intermediary in the payment of funds or the delivery of securities, or both, in connection with trades in securities and that provides centralized facilities for the clearing of trades in securities.
- (ii) The constraints imposed pursuant this Section IV do not apply to the extent that a person who is not a Canadian holds voting shares by way of security only and such holding by way of security only is evidenced in such form as may be prescribed by the by-laws or resolutions adopted by the shareholders or directors of the Corporation and filed by such holder with the Corporation.
- (f) **By-Laws.**
- (i) Subject to the CBCA and the CBCA Regulations, the directors of the Corporation may make, amend or repeal any by-laws or other documents required to administer the constrained share provisions set out in these articles including by-laws:
 - (A) to require any person in whose name voting shares of the Corporation are registered to furnish a statutory declaration declaring whether:
 - I. the shareholder holds, is the beneficial owner of and has control over the voting shares of the Corporation;
 - II. the shareholder is a Canadian,
 - III. the shareholder is a Single Non-Canadian Holder;
 - IV. the shareholder is a Non-Canadian Holder Authorized to Provide Air Service; and
 - V. the shareholder is in affiliation with any Single Non-Canadian Holder or with any Non-Canadian Holder Authorized to Provide Air Service, and, in any such circumstance, the identity of all such affiliated shareholders;
- and declaring any further facts that the directors consider relevant;
- (B) to require any person seeking to have a transfer of a voting share registered in such person's name or to have a voting share issued to such person to furnish a declaration similar to the declaration a shareholder may be required to furnish under paragraph (i) above; and

- (C) to determine the circumstances in which any declarations are required, their form and the times when they are to be furnished.
 - (ii) Where a person is required to furnish a declaration pursuant to a by-law or other document made under this Section IV(f) the directors may refuse to register a transfer of a voting share in such person's name or to issue a voting share to such person until that person has furnished the declaration.
- (g) **Powers of Directors.**
- (i) In the administration of this Section IV, the directors of the Corporation shall enjoy, in addition to the powers set forth herein, all of the powers necessary or desirable, in their opinion, to carry out the intent and purpose hereof, including but not limited to all powers contemplated by the provisions relating to constrained share corporations in the CBCA and the CBCA Regulations.
 - (ii) In administering the provisions of this Section IV the directors of the Corporation may rely on:
 - (A) a statement made in a declaration referred to in Section IV(f); and
 - (B) the knowledge of a director, officer, employee or agent of the Corporation.
 - (iii) Where the directors are required to determine the total number of voting shares of the Corporation held by or on behalf of persons who are not Canadians, including by or on behalf of any Single Non-Canadian Holders or Non-Canadian Holders Authorized to Provide Air Service, including any shareholders in affiliation therewith, the directors may rely upon (i) the share register of the Corporation or (ii) any other register held, or any declaration of residence collected by, the transfer agent of the Corporation or any depository, such as CDS & Co., as of any date, provided that such date is not more than four months before the day on which the determination is made.
 - (iv) Wherever in this Section IV it is necessary to determine the opinion of the directors of the Corporation, such opinion shall be expressed and conclusively evidenced by a resolution of the directors of the Corporation duly adopted, including a resolution in writing executed pursuant to Section 117 of the CBCA.
 - (v) Neither any shareholder of the Corporation nor any other interested person shall have any claim or action against the Corporation or against any director or officer of the Corporation nor shall the Corporation have any claim or action against any director or officer of the Corporation arising out of any act (including any omission to act) performed pursuant to or in intended pursuance of the provisions of this Section IV or any breach or alleged breach of such provisions.

(h) **Disclosure Required.**

- (i) Each of the following documents issued or published by the Corporation shall indicate conspicuously the general nature of the constraints on issue, transfer and ownership of its voting shares contained herein:
- (A) a certificate representing a voting share;
 - (B) a management proxy circular; and
 - (C) a prospectus, statement of material facts, registration statement or similar document.

V. Definitions.

For purposes of this Schedule A, the following terms have the following meanings:

“**affiliation**” shall, for purposes of Section II(b), Section II(c), Section II(d), Section IV(f)(i)(A)V and Section IV(g)(iii) of this Schedule A, have the meaning set forth in Subsection 55(2) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;

“**air service**” shall have the meaning set forth in Subsection 55(1) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;

“**Aggregate Votes**” means the aggregate of the votes attached to all voting shares of the Corporation that may ordinarily be cast to elect directors of the Corporation;

“**Canadian**” shall have the meaning set forth in Subsection 55(1) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;

“**CBCA**” means the *Canada Business Corporations Act*, as amended;

“**CBCA Regulations**” means the Regulations made under the CBCA;

“**CTA**” means the *Canada Transportation Act*, as amended;

“**Non-Canadian Holder(s) Authorized to Provide Air Service**” shall have the meaning set forth in Section II(c)(i)(A);

“**person**” includes an individual, corporation, body corporate, partnership, unincorporated organization, government or agency thereof, trustee, executor, administrator and other legal representative, and when used in this Schedule A, references to “person” in the singular shall be deemed to include the plural and vice versa;

“**Single Non-Canadian Holder**” shall have the meaning set forth in Section II(b)(i)(A);

“**Transfer Agent**” means the transfer agent in respect of the Class A Variable Voting Shares and the Class B Voting Shares; and

“**voting share**” means a share carrying voting rights under all circumstances or under some circumstances that have occurred and are continuing and includes a security currently convertible into such a share and currently exercisable options and rights to acquire such a share or such a convertible security.

All terms used in this Schedule A that are not defined in these Articles but are defined in the CBCA have the meanings ascribed thereto in the CBCA. Any provision of this Schedule A that may be read in a manner that is inconsistent with the CBCA shall be read so as to be consistent therewith.

VI. The Preferred Shares, issuable in series shall have attached thereto the following rights, privileges, restrictions and conditions:

(a) Directors’ Authority to Issue in One or More Series

The directors of the Corporation may issue Preferred Shares at any time and from time to time in one or more series.

(b) Terms of Each Series

Before the first shares of a particular series are issued, the directors of the Corporation shall fix the number of shares in such series and shall determine, subject to any limitations set out in the articles, the designation, rights, privileges, restrictions and conditions attaching to the shares of such series including, without limitation, any right to receive dividends (which may be cumulative, non-cumulative or partially cumulative and variable or fixed), the rate or rates, amount or method or methods of calculation of preferential dividends and whether such rate or rates, amount or method or methods of calculation shall be subject to change(s) or adjustment(s) in the future, the currency or currencies of payment, the date or dates and place or places of payment thereof and the date or dates from which such preferential dividends shall accrue, the rights of redemption (if any) and the redemption price and other terms and conditions of redemption and/or purchase for cancellation, the rights of retraction (if any) and the prices and other terms and conditions of any rights of retraction and whether any additional rights of retraction may be provided to such holders in the future, the voting rights (if any) and the conversion or exchange rights (if any) and any sinking fund, purchase fund or other provisions attaching thereto.

(c) First Shares of Each Series

Before the issue of the first shares of a series, the directors of the Corporation shall send to the Director (as defined in the *Canada Business Corporations Act*) articles of amendment containing a description of such series including the designations, rights, privileges, restrictions and conditions determined by the directors.

(d) **Ranking of Preferred Shares**

No rights, privileges, restrictions or conditions attaching to a series of Preferred Shares shall confer upon a series a priority over any other series of Preferred Shares in respect of the payment of dividends or any distribution of assets or return of capital in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary.

The Preferred Shares of each series shall rank on a parity with the Preferred Shares of every other series with respect to priority in redemption, the payment of dividends, the return of capital and in the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

(e) **Priority**

Each series of Preferred Shares shall be entitled to priority over the Class A Variable Voting Shares and Class B Voting Shares of the Corporation and over any other shares of any other class of the Corporation ranking junior to the Preferred Shares, with respect to priority in the payment of dividends, the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among the shareholders for the purpose of winding up its affairs.

(f) **Other Preferences**

The Preferred Shares of any series may also be given such other preferences, not inconsistent with the provisions hereof, over the Class A Variable Voting Shares and Class B Voting Shares and over any other shares of the Corporation ranking junior to Preferred Shares as may be determined in the case of such series of Preferred Shares in accordance with paragraph (c).

(g) **Participation**

If any cumulative dividends or declared non-cumulative dividends or amounts payable on a return of capital in the event of the liquidation, dissolution or winding-up of the Corporation in respect of a series of Preferred Shares are not paid in full, the Preferred Shares of all series shall participate rateably in respect of such dividends in accordance with the sums that would be payable on such shares if all such dividends were declared and paid in full, and in respect of any repayment of capital in accordance with the sums that would be payable on such repayment of capital if all sums so payable were paid in full, provided, however, that in the event of there being insufficient assets to satisfy in full all such claims as aforesaid, the claims of the holders of the Preferred Shares with respect to

repayment of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied towards the payment and satisfaction of claims in respect of dividends.

(h) **Voting Rights**

Except as hereinafter referred to or as required by applicable law, the holders of Preferred Shares as a class will not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation. The holders of any particular series of Preferred Shares will, if the directors so determine prior to the issuance of any such series, be entitled to such voting rights as may be determined by the directors if the Corporation fails to pay dividends on that series of Preferred Shares for any period as may be so determined by the directors.

(i) **Conversion Right**

The Preferred Shares may be convertible into Class A Variable Voting Shares, Class B Voting Shares or another series of Preferred Shares provided that the maximum number of Class A Variable Voting Shares and Class B Voting Shares, in aggregate, that may be issuable upon conversion of all series of Preferred Shares shall be limited to 32,250,000 Class A Variable Voting Shares and Class B Voting Shares, in aggregate.

(j) **Variation of Rights**

The provisions attaching to the Preferred Shares as a class may be amended or repealed at any time with such approval as may then be required by law to be given by the holders of the Preferred Shares as a class and, in the case of a series of Preferred Shares, as may be required by such terms of such series as determined by the directors.

SCHEDULE B

RESTATED ARTICLES OF INCORPORATION

CHORUS AVIATION INC.
(THE "CORPORATION")

CANADA BUSINESS CORPORATIONS ACT

Other provisions, if any:

- (a) The directors may appoint from time to time one or more additional directors within the limits provided in the *Canada Business Corporations Act*.
- (b) The directors may from time to time determine the number of directors of the Corporation.