



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.

Hantz Prosper

Director / Directeur

2022-12-29

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

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 of which 300,000 shall be designated as Series 1 Preferred Shares.

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.

VII. The Series 1 Preferred Shares, issuable in series shall have attached thereto the following rights, privileges, restrictions and conditions:

(a) **Definitions.**

In this Section VII, the following terms shall have the following meanings:

“**Accrued Dividends**” shall mean, with respect to any Series 1 Preferred Share, as of any date, the amount equal to (a) the amounts that have accrued on such Series 1 Preferred Share pursuant to Section VII(b)(ii), less (b) the sum of any such accrued amounts paid pursuant to Section VII(b)(i) on such Series 1 Preferred Share, from the Issue Date up to, but not including, such date; provided that Accrued Dividends shall not include any dividends that have accrued on such Series 1 Preferred Share in respect of any current Payment Period;

“**Applicable MOIC**” shall mean, with respect to each Series 1 Preferred Share, a multiple of the Liquidation Preference equal to: (a) any time prior to the third anniversary of the

Issue Date, 1.4x; (b) starting on the third anniversary of the Issue Date until the sixth anniversary of the Issue Date, 1.6x; and (c) on or after the sixth anniversary of the Issue Date, 0x.

“**Articles of Incorporation**” means the Restated Articles of Incorporation, as it may be amended or restated from time to time.

“**Bankruptcy**” means, with respect to any Person, the occurrence of any of the following events: (i) the filing by such Person of a voluntary petition in bankruptcy or the seeking of relief under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) or any other similar bankruptcy, insolvency or analogous applicable laws, as now constituted or hereafter amended; (ii) the making by such Person of a general assignment for the benefit of creditors; (iii) 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 it in any bankruptcy proceeding or petition seeking relief under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) or any other similar bankruptcy, insolvency or analogous applicable laws, as now constituted or as hereafter amended; or (iv) the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Person a 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 of Directors**” shall mean the board of directors of the Corporation or, with respect to any action to be taken by the Board of Directors, any committee of the Board of Directors duly authorized to take such action;

“**Business Day**” means any day, other than: (a) a Saturday, Sunday or statutory holiday in the Provinces of Ontario or Nova Scotia; or (b) a day on which banks are generally closed in the Provinces of Ontario or Nova Scotia;

“**Change of Control**” shall mean the occurrence of any of the following:

- (a) (i) the direct or indirect sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the properties or assets of the Corporation and its Subsidiaries, taken as a whole, to any Person (other than to the Corporation or to any wholly-owned Subsidiary of the Corporation), or (ii) a plan or scheme of arrangement, merger, amalgamation, consolidation, share sale or other transaction or series of related transactions, in which all of the Common Shares are exchanged for, converted into, acquired for, or constitute solely the right to receive, other securities, cash or other property, in each case of (i) or (ii), that would result in the Persons who beneficially own, directly or indirectly, the Common Shares (or other voting shares of the Corporation, on an as-converted basis) as of immediately prior to such transaction ceasing to beneficially own, directly or indirectly, a majority of the outstanding Common Shares (or other voting shares of the Corporation or outstanding common equity securities of the surviving entity, in each case, on an as-converted basis) immediately following the completion of such transaction;

- (b) the consummation of any transaction or series of related transactions (including, without limitation, pursuant to a merger, amalgamation or consolidation), the result of which is that any Person, including any Persons acting jointly or in concert with such Person, becomes the beneficial owner, directly or indirectly, of shares of the Corporation's common equity representing more than 50% of the voting power of all of the Corporation's then-outstanding common equity, on an as-converted basis;
- (c) the individuals who were nominated by management of the Corporation or the Board of Directors for election to the Board of Directors at a meeting of the shareholders of the Corporation involving a contest for, or an item of business relating to, the election of directors, shall not constitute a majority of the board of directors following such election; or the Corporation voluntarily causes the Common Shares to cease to be listed or quoted on a Stock Exchange, other than in connection with any event in clause (a) or (b) above.

“Common Shares” means, collectively, the Class A Variable Voting Shares and the Class B Voting Shares;

“Class A Variable Voting Shares” shall mean the Class A Variable Voting Shares in the capital of the Corporation;

“Class B Voting Shares” shall mean the Class B Voting Shares in the capital of the Corporation;

“close of business” shall mean 5:00 p.m. (Toronto time);

“Dividend Payment Date” shall mean the date that is fifteen (15) days after the end of each applicable Payment Period of the Corporation, unless the Board of Directors designates an earlier date;

“Dividend Rate” for a Payment Period shall mean:

- (a) for the period from the Issue Date through to, but excluding, May 3, 2028 (the “First Dividend Change Date”), the rate of 8.75% per annum to the extent the dividend for such period is paid in cash on the applicable Dividend Payment Date immediately following the end of such period or 9.5% per annum to the extent accrued as Accrued Dividends,
- (b) for the period from the First Dividend Change Date to, but excluding, May 3, 2029 (the “Second Dividend Change Date”), the rate of 9.75% per annum to the extent the dividend for such period is paid in cash on the applicable Dividend Payment Date immediately following the end of such period or 11.0% per annum to the extent accrued as Accrued Dividends,
- (c) for the period from the Second Dividend Change Date to, but excluding, May 3, 2030 (the “Third Dividend Change Date”), the rate of 10.75% per annum to the extent the dividend for such period is paid in cash on the

applicable Dividend Payment Date immediately following the end of such period or 12.5% per annum to the extent accrued as Accrued Dividends,

- (d) for the period from the Third Dividend Change Date to, but excluding, May 3, 2031 (the “Fourth Dividend Change Date”), the rate of 11.75% per annum to the extent the dividend for such period is paid in cash on the applicable Dividend Payment Date immediately following the end of such period or 14.0% per annum to the extent accrued as Accrued Dividends,
- (e) for the period from the Fourth Dividend Change Date to, but excluding, May 3, 2032 (the “Fifth Dividend Change Date”), the rate of 12.75% per annum to the extent the dividend for such period is paid in cash on the applicable Dividend Payment Date immediately following the end of such period or 15.5% per annum to the extent accrued as Accrued Dividends,
- (f) for the period from the Fifth Dividend Change Date to, but excluding, May 3, 2033 (the “Sixth Dividend Change Date”), the rate of 13.75% per annum to the extent the dividend for such period is paid in cash on the applicable Dividend Payment Date immediately following the end of such period or 15.5% per annum to the extent accrued as Accrued Dividends, and
- (g) for the period from and after the Sixth Dividend Change Date, the rate of 14.75% per annum to the extent the dividend for such period is paid in cash on the applicable Dividend Payment Date immediately following the end of such period or 15.5% per annum to the extent accrued as Accrued Dividends,

provided, however, that in the event the Corporation defaults on any of its obligations under the terms of the Series 1 Preferred Shares or an Event of Default occurs under the Investor Rights Agreement, the Dividend Rate shall be the rate then in effect plus 2.0% per annum for so long as such default or Event of Default is continuing;

“**Dividend Record Date**” shall mean, with respect to any Payment Period and applicable Dividend Payment Date, the record date (which shall be a Business Day) fixed by the Board of Directors for holders eligible to receive any dividend declared for such Payment Period, which shall not be more than thirty (30) days nor less than fifteen (15) days preceding the applicable Dividend Payment Date;

“**Fundamental Change**” shall mean any of the following:

- (a) a Change of Control; or
- (b) the disposition by the Corporation of a material business or the acquisition by the Corporation and/or entry into of a new unrelated business line that fundamentally changes the nature of the business of the Corporation.

“**Fundamental Change Put Closing Notice**” shall have the meaning set forth in Section VII(g)(ii);

“**Fundamental Change Put Exercise Period**” shall have the meaning set forth in Section VII(g)(ii);

“**Fundamental Change Put Date**” shall have the meaning set forth in Section VII(g)(ii);

“**Fundamental Change Put Notice**” shall have the meaning set forth in Section VII(g)(ii);

“**Fundamental Change Put Price**” shall have the meaning set forth in Section VII(g)(ii);

“**Fundamental Change Put Right**” shall have the meaning set forth in Section VII(g)(ii);

“**Fundamental Change Put Right Holder**” shall have the meaning set forth in Section VII(g)(ii);

“**Holder**” and, unless the context requires otherwise, “**holder**” shall each mean a holder of record of a Series 1 Preferred Share;

“**Investor Rights Agreement**” means the investor rights agreement, dated as of May 3, 2022, entered into among BSI Dragonfly Holdings LP and the Corporation, as amended, supplemented, restated, exchanged or replaced from time to time;

“**Issue Date**” shall mean the original date of issuance of the Series 1 Preferred Shares;

“**Junior Shares**” shall mean the Common Shares and each other class of shares in the capital of the Corporation or series of preferred shares of the Corporation established after the Issue Date, by the Board of Directors, the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Series 1 Preferred Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Corporation;

“**Liquidation Preference**” shall mean, with respect to each Series 1 Preferred Share, \$1,000;

“**material business**” shall mean at any time any business of the Corporation if, at the end of the most recent fiscal quarter for which the Corporation has filed its financial statements, the total revenues or assets of such business exceeded 30% of the consolidated revenues or assets of the Corporation, determined in accordance with International Financial Reporting Standards consistently applied;

“**opening of business**” shall mean 9:00 a.m. (Toronto time);

“**Optional Redemption Date**” shall have the meaning set forth in Section VII(e)(i);

“**Optional Redemption Notice**” shall have the meaning set forth in Section VII(e)(iv);

“**Optional Redemption Price**” shall have the meaning set forth in Section VII(e)(iii);

“**Parity Shares**” shall mean any class of shares in the capital of the Corporation or series of preferred shares of the Corporation established after the Issue Date by the Board of Directors, the terms of which expressly provide that such class or series will rank on a

parity with the Series 1 Preferred Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Corporation;

“**Paying Agent**” shall mean the Transfer Agent, acting in its capacity as paying agent for the Series 1 Preferred Shares, and its successors and assigns, or any other Person appointed to serve as paying agent by the Corporation;

“**Payment Period**” shall mean (a) the period commencing on the Issue Date and ending on the last day of the fiscal quarter in which the Issue Date occurs, and (b) each fiscal quarter thereafter; provided that in the event the Corporation is declaring and paying dividends on the Common Shares in cash on a monthly basis, the Payment Period shall mean a calendar month; provided further that, in the event Series 1 Preferred Shares are being redeemed by or put to the Corporation pursuant to Section VII(e) or Section VII(g), a Payment Period shall be deemed to have ended in respect of such Series 1 Preferred Shares on the day immediately prior to the Optional Redemption Date, or the Fundamental Change Put Date, as applicable.

“**Person**” shall include any individual, corporation, general partnership, limited partnership, limited liability partnership, association, trust, limited liability company, unincorporated organization or government or any agency or political subdivision thereof;

“**Senior Shares**” shall mean each class of shares in the capital of the Corporation or series of preferred shares of the Corporation established after the Issue Date by the Board of Directors, the terms of which expressly provide that such class or series will rank senior to the Series 1 Preferred Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Corporation;

“**Series 1 Preferred Shares**” shall mean the Series 1 Preferred Shares of the Corporation authorized pursuant to this Schedule;

“**Stock Exchange**” shall mean the Toronto Stock Exchange or, if the Common Shares are not listed on the Toronto Stock Exchange, such other major securities exchange or market on which the Common Shares are then listed and posted for trading;

“**Subsidiary**” shall mean, as to any Person, any corporation or other entity of which: (a) such Person or a Subsidiary of such Person is a general partner or, in the case of a limited liability company, the managing member or manager thereof; (b) at least a majority of the outstanding equity interest having by the terms thereof ordinary voting power to elect a majority of the board of directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time any equity interest of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of its Subsidiaries; or (c) any corporation or other entity as to which such Person consolidates for accounting purposes;

“**Transfer Agent**” shall mean the Corporation’s duly appointed transfer agent, registrar, conversion agent and dividend disbursing agent for the Series 1 Preferred Shares, if any, or if none, an officer of the Corporation, and in each case their successors and assigns, or

any other person appointed to serve as transfer agent, registrar, conversion agent and dividend disbursing agent by the Corporation;

(b) Dividends.

- (i) Holders shall be entitled to receive for a Payment Period, and the Corporation shall pay thereon, if, as and when declared by the Board of Directors, with respect to each Series 1 Preferred Share prior to any distributions made in respect of any Junior Shares in respect of the same Payment Period, cash dividends out of funds legally available for payment, in an amount equal to (a) the sum of (i) the Liquidation Preference plus (ii) any Accrued Dividends as of immediately after the last day of the immediately prior Payment Period, multiplied by (b) the applicable Dividend Rate for such Payment Period, such amount computed on the basis of a 360-day year consisting of twelve 30-day months. Notwithstanding the foregoing, to the extent there exists any Accrued Dividends for any Payment Period, the Board of Directors may declare and pay cash dividends, out of funds legally available for payment, an amount in excess of the aforementioned amount, but only up to the amount of such Accrued Dividends. To the extent the Board of Directors so declares, dividends shall be payable in arrears on the Dividend Payment Date for each Payment Period to the Holders as they appear on the Corporation's share register at the close of business on the relevant Dividend Record Date. Dividends on the Series 1 Preferred Shares shall accrue on a day-to-day basis from the first day of the current Payment Period through to, and including, the last day of such Payment Period.
- (ii) If the Board of Directors does not declare and pay a dividend in accordance with Section VII(b)(i) for any Payment Period, there shall be added in respect of such Payment Period to the amount of the Accrued Dividends an amount equal to (a) the sum of (i) the Liquidation Preference plus (ii) any Accrued Dividends as of the end of the last day of the immediately prior Payment Period, multiplied by (b) the applicable Dividend Rate for such Payment Period, such amount computed on the basis of a 360-day year consisting of twelve 30-day months.
- (iii) Notwithstanding anything herein to the contrary, no dividend shall be paid in respect of any Junior Shares for any Payment Period unless at least 75% of all dividends accrued on the Series 1 Preferred Shares pursuant to Section VII(b)(ii) to, and including, the dividend payment date for such Junior Shares, have been paid, or are concurrently paid, in cash.

(c) Voting and Protective Provisions.

- (i) The Holders shall not have any rights to notice of, to attend at or to vote at any meetings of the shareholders of the Corporation except as set forth in this Section VII(c) or as otherwise from time to time specifically required by the CBCA or the Articles of Incorporation.

- (ii) So long as any Series 1 Preferred Shares are outstanding, in addition to any other vote or consent of shareholders required by the CBCA or the Articles of Incorporation or otherwise set forth herein, the affirmative vote or consent of the Holders representing at least a two-thirds majority of the outstanding Series 1 Preferred Shares, which may be withheld in their sole discretion, voting together as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, shall be necessary for effecting or validating the actions set forth below, whether by amendment to the Articles of Incorporation, by merger, consolidation or otherwise:
 - (A) any issuance, authorization or creation of, or any increase by the Corporation in the issued or authorized amount of, any note, bond, debenture or other debt security that is convertible into or exchangeable for any specific class or series of Parity Shares or Senior Shares; or
 - (B) any amendment, modification or alteration of, or supplement to, the Articles of Incorporation that would adversely affect the rights, preferences, privileges or voting powers of the Series 1 Preferred Shares or any Holder provided in the Articles of Incorporation.
- (iii) In exercising the voting rights set forth in Section VII(c)(ii), each Series 1 Preferred Share shall be entitled to one vote.
- (iv) The rules and procedures for calling and conducting any meeting of the Holders (including the fixing of a record date in connection therewith), the solicitation and use of proxies at such a meeting, the obtaining of written consents and any other procedural aspect or matter with regard to such a meeting or such consents shall be governed by any rules the Board of Directors, in its discretion, may adopt from time to time, which rules and procedures shall conform to the requirements of the Articles of Incorporation, the bylaws of the Corporation and applicable law.

(d) **Liquidation Rights.**

- (i) In the event of any Bankruptcy, liquidation, winding-up or dissolution of the Corporation, whether voluntary or involuntary, each Holder shall be entitled to receive, in respect of each Series 1 Preferred Share, and to be paid out of the assets of the Corporation available for distribution to its shareholders, in preference to the holders of, and before any payment or distribution is made on, any Junior Shares, an amount equal to the greater of (a) the sum of the Liquidation Preference plus the Accrued Dividends and (b) the Applicable MOIC less the sum of amounts paid pursuant to Section VII(b)(i) on such Series 1 Preferred Share, in each case, as of the date of such Bankruptcy, liquidation, winding-up or dissolution of the Corporation.

- (ii) Neither the sale, conveyance, exchange or transfer (for cash, shares, securities or other consideration) of all or substantially all the assets or business of the Corporation (other than in connection with the liquidation, winding-up or dissolution of its business), nor the merger or consolidation of the Corporation into or with any other Person shall be deemed to be a liquidation, winding-up or dissolution, voluntary or involuntary, for the purposes of this Section VII(d).
 - (iii) After the payment in full to the Holders of the amounts provided for in Section VII(d)(i), the Holders of Series 1 Preferred Shares as such shall have no right or claim to any of the remaining assets of the Corporation in respect of their ownership of such Series 1 Preferred Shares.
 - (iv) In the event the assets of the Corporation available for distribution to the Holders upon any liquidation, winding-up or dissolution of the Corporation, whether voluntary or involuntary, shall be insufficient to pay in full all amounts to which such Holders are entitled pursuant to Section VII(d)(i), no such distribution shall be made on account of any Parity Shares upon such liquidation, dissolution or winding-up unless proportionate distributable amounts shall be paid on account of the Series 1 Preferred Shares, equally and rateably, in proportion to the full distributable amounts for which Holders of all Series 1 Preferred Shares and of any Parity Shares are entitled upon such liquidation, winding-up or dissolution and, for the avoidance of doubt, no such distribution shall be made on account of any Junior Shares.
- (e) **Redemption.**
- (i) At any time after the Issue Date, the Corporation shall have (a) a one time option, subject to applicable law, to redeem 50% of the issued and outstanding Series 1 Preferred Shares, and (b) the option, exercisable at any time, to redeem all, but not less than all, of the Series 1 Preferred Shares. Any such redemption shall occur on a date set by the Corporation on not less than thirty (30) days' prior written notice to the Holders (the "**Optional Redemption Date**").
 - (ii) Any redemption of 50% of the issued and outstanding Series 1 Preferred Shares pursuant to Section VII(e)(i)(a) may be made from any source of funds legally available for such purpose, provided that (a) the annual after tax cost to the Corporation of the interest or dividend payable on the debt incurred or security issued comprising such source of funds would be less than (b) the annual after tax cost to the Corporation of the dividends then payable on Series 1 Preferred Shares.
 - (iii) Subject to applicable law, the Corporation shall effect any such redemption pursuant to this Section VII(e) by paying cash for each Series 1 Preferred Share to be redeemed in an amount equal to the greater of (a) the sum of the Liquidation Preference plus the Accrued Dividends and (b) the Applicable MOIC less the sum of amounts paid pursuant to Section VII(b)(i) on such

Series 1 Preferred Share, in each case, as of the Optional Redemption Date (such amount, the “**Optional Redemption Price**”).

- (iv) The Corporation shall give notice of its election to redeem the Series 1 Preferred Shares pursuant to this Section VII(e) to the Holders of Series 1 Preferred Shares as such Holders’ names appear (as of the close of business on the Business Day preceding the day on which notice is given) on the Corporation’s share register at the address of such Holders shown therein. Such notice (the “**Optional Redemption Notice**”) shall state: (a) the Optional Redemption Date, (b) the number of Series 1 Preferred Shares to be redeemed from such Holder, (c) the Optional Redemption Price, and (d) the place where any Series 1 Preferred Shares are to be redeemed and shall be presented and surrendered for payment of the Optional Redemption Price therefor.
- (v) If the Corporation gives an Optional Redemption Notice, the Corporation shall deposit with or otherwise make available to the Paying Agent funds sufficient to redeem the applicable Series 1 Preferred Shares, no later than the open of business on the Optional Redemption Date, and the Corporation shall give the Paying Agent instructions and authority to pay the Optional Redemption Price to the Holders to be redeemed upon surrender or deemed surrender of the certificates therefor as set forth in the Optional Redemption Notice. If the Optional Redemption Notice shall have been given, then from and after the time immediately prior to the close of business on the Optional Redemption Date, unless the Corporation defaults in providing funds sufficient for such redemption at the time and place specified for payment pursuant to the Optional Redemption Notice, all dividends on such Series 1 Preferred Shares to be redeemed shall cease to accrue and all other rights with respect to the Series 1 Preferred Shares to be redeemed, including the rights, if any, to receive notices, will terminate, except only the rights of Holders thereof to receive the Optional Redemption Price. Where a part only of the then outstanding Series 1 Preferred Shares is at any time to be redeemed, the Series 1 Preferred Shares to be redeemed will be redeemed pro rata (disregarding fractions). The Corporation shall be entitled to receive from the Paying Agent the interest income, if any, earned on any such funds deposited with the Paying Agent (to the extent that such interest income is not required to pay the Optional Redemption Price of the Series 1 Preferred Shares to be redeemed), and the holders of any Series 1 Preferred Shares so redeemed shall have no claim to any such interest income.

(f) **Repurchase for Cancellation.**

- (i) The Corporation may at any time or from time to time purchase for cancellation the whole or any part of the outstanding Series 1 Preferred Shares in the open market at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable, provided that (a) the annual after tax cost to the Corporation of the interest or dividend payable on any debt incurred or security issued to fund such purchases

would be less than (b) the annual after tax cost to the Corporation of the dividends then payable on Series 1 Preferred Shares.

- (ii) In the case of purchase of Series 1 Preferred Shares by tender, the Corporation shall give notice to the then registered holders of Series 1 Preferred Shares of its intention to invite tenders to holders of the Series 1 Preferred Shares and, if two or more tenders of Series 1 Preferred Shares at the same price are received, which Series 1 Preferred Shares when added to any Series 1 Preferred Shares already tendered at a lower price or prices aggregate more than the number of Series 1 Preferred Shares to be purchased at such time, the Corporation shall prorate as nearly as may be possible (disregarding fractions) among the Holders submitting such tenders at the same price the number of Series 1 Preferred Shares necessary to complete the number of Series 1 Preferred Shares to be purchased at such time.

(g) **Fundamental Changes.**

- (i) The Corporation shall give notice to the Holders of any proposed Fundamental Change no later than fifteen (15) Business Days prior to the anticipated effective date (as determined in good faith by the Corporation) of such Fundamental Change or, if not practicable, as soon as reasonably practicable but in any event no later than five (5) Business Days after the Corporation becomes aware of such proposed Fundamental Change.
- (ii) In the event of a Fundamental Change, each Holder (such party, as applicable, the “**Fundamental Change Put Right Holder**”) shall have the right (the “**Fundamental Change Put Right**”), but not the obligation, to cause the Corporation to purchase all or a portion of such Fundamental Change Put Right Holder’s outstanding Series 1 Preferred Shares. The Fundamental Change Put Right shall be exercisable by each Holder for a period of ten (10) Business Days following the effective date of any such Fundamental Change (the “**Fundamental Change Put Exercise Period**”) by providing written notice to the Corporation (the “**Fundamental Change Put Notice**”). Any such purchase of Series 1 Preferred Shares by the Corporation pursuant to a Fundamental Change Put Right Holder’s exercise of a Fundamental Change Put Right shall occur on such date set by the Corporation in its sole discretion, but in any event no later than thirty (30) days after receipt of the Fundamental Change Put Notice (the “**Fundamental Change Put Date**”). Notwithstanding anything to the contrary herein, the Fundamental Change Put Date may be on the date of such Fundamental Change, and any purchase of Series 1 Preferred Shares pursuant to this Section VII(g) may be made simultaneously with such Fundamental Change.
- (iii) Subject to applicable law, the Corporation shall effect any such purchase of Series 1 Preferred Shares pursuant to a Fundamental Change Put Right under this Section VII(g) by depositing with or otherwise making available to the Paying Agent, in accordance with Section VII(g)(iv), cash for each

Series 1 Preferred Share to be purchased in an amount equal to the greater of (a) the sum of the Liquidation Preference plus the Accrued Dividends and (b) the Applicable MOIC less the sum of amounts paid pursuant to Section VII(b)(i) on such Series 1 Preferred Share, in each case, as of the Fundamental Change Put Date (the “**Fundamental Change Put Price**”).

(iv) If a Fundamental Change Put Right Holder gives a Fundamental Change Put Notice, the Corporation shall deposit with or otherwise make available to the Paying Agent funds sufficient to satisfy the Fundamental Change Put Price, no later than the open of business on the Fundamental Change Put Date, and the Corporation shall give the Paying Agent instructions and authority to pay the Fundamental Change Put Price to the applicable Fundamental Change Put Right Holder. From and after the time immediately prior to the close of business on the Fundamental Change Put Date, unless the Corporation defaults in providing funds sufficient for the purchase of Series 1 Preferred Shares in full in accordance with this Section VII(g)(iv) or otherwise at the time and place specified for payment by the Corporation, all dividends on such Series 1 Preferred Shares to be redeemed shall cease to accrue and all other rights with respect to the Series 1 Preferred Shares to be purchased, including the rights, if any, to receive notices, will terminate, except only the rights of Holders thereof to receive the Fundamental Change Redemption Price. The Corporation shall be entitled to receive from the Paying Agent the interest income, if any, earned on any such funds deposited with the Paying Agent (to the extent that such interest income is not required to pay the Fundamental Change Put Price of the Series 1 Preferred Shares to be purchased), and the holders of any Series 1 Preferred Shares so purchased shall have no claim to any such interest income.

(v) If a Fundamental Change Put Exercise Period has expired and the applicable Fundamental Change Put Right Holder has not exercised the applicable Fundamental Change Put Right, such Fundamental Change Put Right Holder shall be entitled to Fundamental Change Put Rights in respect of any subsequent Fundamental Change in accordance with this Section VII(g), without limitation.

(h) **Miscellaneous.**

(i) With respect to any notice to a Holder required to be provided hereunder, neither failure to mail such notice, nor any defect therein or in the mailing thereof, to any particular Holder shall affect the sufficiency of the notice or the validity of the proceedings referred to in such notice with respect to the other Holders or affect the legality or validity of any vote upon any such action (assuming due and proper notice to such other Holders). Any notice which was mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the Holder receives the notice.

- (ii) Series 1 Preferred Shares that have been issued and reacquired by the Corporation in any manner (upon compliance with any applicable provisions of the CBCA or other applicable laws) shall upon such reacquisition be automatically cancelled by the Corporation and shall not be reissued.
- (iii) The Series 1 Preferred Shares shall be issuable only in whole shares.
- (iv) The Corporation shall elect, in the manner and within the time provided, under subsection 191.2(1) of the *Income Tax Act* (Canada) and shall take any other necessary action thereunder, to pay or cause the payment of tax under Part VI.1 of the *Income Tax Act* (Canada) at a rate such that no holder of Series 1 Preferred Shares would be required to pay tax on dividends received on the Series 1 Preferred Shares under Part IV.1 of the *Income Tax Act* (Canada).
- (v) All notice periods referred to herein shall commence (a) on the day on which notice was delivered or transmitted by email or personally by hand (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. (Toronto time) at the place of receipt, then on the next following Business Day) or, (b) if mailed by internationally recognized overnight courier, on the Business Day following the date of mailing; provided, however, that if at the time of mailing or within two 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. Notice to any Holder shall be given to the registered address set forth in the Corporation's records for such Holder.
- (vi) Unless otherwise stated, all references herein to dollar amounts, "dollars" or "\$" are references to United States dollars.
- (vii) Any payments required to be made hereunder on any day that is not a Business Day shall be made on the next succeeding Business Day without interest or additional payment for such delay. All payments required hereunder shall be made by wire transfer of immediately available funds or cheque to the Holders in accordance with the payment instructions as such Holders may deliver by written notice to the Corporation or the Paying Agent from time to time. The making of a payment by way of wire transfer or cheque or, in the case where a Holder has not provided the Corporation or the Paying Agent with account particulars for a wire transfer or cheque, the deposit by the Corporation of the funds otherwise payable to such Holder in a special account or accounts in trust for such Holder, shall be deemed to constitute payment by the Corporation on the date thereof and shall satisfy and discharge all liabilities of the Corporation for such payment to the extent of the amount represented by such transfer. Any funds deposited with the Paying Agent hereunder by the Corporation for any reason, including redemption or purchase of Series 1 Preferred Shares, that

remain unclaimed or unpaid after two years after the Optional Redemption Date, Fundamental Change Put Date or other payment date, shall be, to the extent permitted by applicable law, repaid to the Corporation upon its written request, after which repayment the Holders entitled to such redemption, purchase or other payment shall have recourse only to the Corporation.

- (viii) Notwithstanding any other provision hereof, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a Holder pursuant to this Schedule shall be considered to be the amount of the payment, distribution, issuance or delivery received by such Holder plus any amount deducted or withheld pursuant to this Section VII(h)(viii).
- (ix) Any amendment, modification or alteration of the rights, preferences, privileges or voting powers of the Series 1 Preferred Shares shall, solely to the extent required by the applicable rules and regulations of the Stock Exchange, be subject to the approval of the Stock Exchange for as long as the Common Shares are listed for trading thereon.

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.



**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).