

CECO ENVIRONMENTAL CORP
Form DEF 14A
April 04, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

SCHEDULE 14A
(RULE 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary proxy statement
- Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))**
- Definitive proxy statement
- Definitive additional materials
- Soliciting material pursuant to Sec. 240.14a-11(c) or Sec. 240.14a-12

CECO ENVIRONMENTAL CORP.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

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CECO ENVIRONMENTAL CORP.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON MAY 15, 2014

To the Stockholders of CECO Environmental Corp.

Notice is hereby given that the annual meeting (Annual Meeting) of the stockholders of CECO Environmental Corp. (CECO, the Company, us or our) will be held at the Company s offices at 4625 Red Bank Road, Suite 200, Cincinnati, Ohio 45227 on May 15, 2014 at 1:00 p.m., Eastern time, for the following purposes:

1. to elect eight directors;
2. to ratify the appointment of BDO USA, LLP as the independent registered public accounting firm of the Company for fiscal year 2014;
3. to approve, on an advisory basis, the Company s named executive officer compensation; and
4. to transact such other business as may properly come before the meeting or any adjournments thereof.

Stockholders of record at the close of business on March 27, 2014, are entitled to notice of and to vote at the Annual Meeting. We are taking advantage of the Securities and Exchange Commission rules allowing us to furnish proxy materials to stockholders on the internet. We believe that these rules provide you with proxy materials more quickly and reduce the environmental impact of our Annual Meeting. Accordingly, we are mailing to stockholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access and review our proxy materials and Annual Report to Stockholders for the year ended December 31, 2013, and to vote online or by telephone.

If you would like to receive a paper copy of our proxy materials, please follow the instructions for requesting these materials in the proxy statement.

By Order of the Board of Directors

/s/ Jason DeZwirek
Jason DeZwirek
Chairman of the Board of Directors

April 4, 2014

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April 4, 2014

**PROXY STATEMENT
FOR THE ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 15, 2014**

This proxy statement is furnished in connection with the solicitation by the Board of Directors (the Board) of CECO Environmental Corp., a Delaware corporation (we, us, CECO or the Company) of proxies to be voted at the annual meeting of stockholders of the Company to be held 1:00 p.m., Eastern time, at our principal office, 4625 Red Bank Road, Suite 200, Cincinnati, Ohio 45227, on May 15, 2014, or any postponement or adjournment thereof (the Annual Meeting). These proxy solicitation materials and CECO's Annual Report to stockholders for the year ended December 31, 2013, including related financial statements, were first made available to our stockholders entitled to notice of and to vote at the Annual Meeting on or about April 4, 2014.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting To Be Held on May 15, 2014 our Annual Report to Stockholders, this proxy statement and the related proxy card are available at www.cecoenviro.com/investors.aspx. The content on any website referred to in this proxy statement is not incorporated by reference into this proxy statement unless expressly noted.

Who Can Vote

Only stockholders of record at the close of business on March 27, 2014, which we refer to as the record date, are entitled to notice of and to attend and vote at the Annual Meeting. As of the record date, there were 25,674,714 outstanding shares of our common stock. Each share of our common stock outstanding on the record date will be entitled to cast one vote at the Annual Meeting.

How You Can Vote

Stockholders of record can simplify their voting by voting their shares via telephone or the Internet. Instructions for voting via telephone or the Internet are described on the Notice of Internet Availability of Proxy Materials. Being a record holder means that the shares are registered in your name, as opposed to the name of your broker or bank. If your shares are held in the name of a bank or broker (in street name), the availability of telephone and Internet voting will depend on the voting processes of the applicable bank or broker; therefore, it is recommended that you follow the voting instructions on the proxy card. If you request a paper copy of the proxy materials, please mark your choices on the proxy card and then date, sign and return the proxy card at your earliest opportunity pursuant to the instructions on the proxy card.

You may also vote in person at the meeting. If your shares are held in street name, you can vote at the meeting only if you have a valid proxy from your bank or broker confirming your beneficial ownership of shares of our common stock as of the record date and your authority to vote such shares. Please bring personal photo identification with you to the meeting. If you need directions to the Annual Meeting, please call us at (513) 458-2600.

Revocability of Proxies

Stockholders who execute proxies retain the right to revoke them at any time before the shares are voted by proxy at the meeting. A stockholder may revoke a proxy by delivering a signed statement to our Corporate

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Secretary at or prior to the Annual Meeting or by timely executing and delivering, by Internet, telephone, mail, or in person at the Annual Meeting, another proxy dated as of a later date. Furthermore, you may revoke a proxy by attending the Annual Meeting and voting in person, which will automatically cancel any proxy previously given. However, attendance at the Annual Meeting will not automatically revoke any proxy that you have given previously unless you request a ballot and vote in person. If you hold shares through a bank or brokerage firm, you must contact the bank or brokerage firm to revoke any prior voting instructions.

Quorum Required

In order for business to be conducted, a quorum must be represented at the Annual Meeting. The holders of a majority of common stock, present in person or represented by proxy, shall constitute a quorum at the Annual Meeting. Shares represented by a proxy in which authority to vote for any matter considered is withheld, a proxy marked abstain or a proxy as to which there is a broker non-vote (described below) will be considered present at the meeting for purposes of determining a quorum.

Required Vote to Elect Directors

Directors will be elected by a plurality of the votes cast at the Annual Meeting, meaning the eight nominees receiving the most votes will be elected. Only votes cast for a nominee will be counted. Unless indicated otherwise by your proxy, the shares will be voted for the eight nominees named in this proxy statement. Instructions on the accompanying proxy to withhold authority to vote for one or more of the nominees will result in those nominees receiving fewer votes but will not count as a vote against the nominees.

Required Votes to Pass Other Proposals

Proposal 2 (to ratify the selection of BDO USA, LLP as the independent registered public accounting firm of CECO for fiscal year 2014) and Proposal 3 (approval, on an advisory basis, of the Company's named executive compensation), each requires the favorable vote of the majority of shares represented at the Annual Meeting for approval. Although these votes are advisory in nature and are not binding on the Company, the Board will consider the outcomes of these votes in future deliberations. For these proposals, abstentions are treated as shares present or represented and voting, so abstaining has the same effect as a negative vote.

Broker Non-Votes

If your shares are held by a bank, broker, or other nominee and you do not provide the bank, broker, or other nominee with specific voting instructions, the organization that holds your shares may generally vote on routine matters but cannot vote on non-routine matters.

If the bank, broker, or other nominee that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization will inform our Inspector of Elections that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a broker non-vote.

When our Inspector of Elections tabulates the votes for any matter, broker non-votes will be counted for purposes of determining whether a quorum is present.

We believe that Proposal 2 (ratification of independent auditors) will be considered routine and we do not expect any broker non-votes on this matter.

We believe that Proposal 1 (election of directors) and Proposal 3 (approval, on an advisory basis, of the Company's named executive compensation) will be considered non-routine, and banks, brokers, and certain other nominees that hold your shares in street name will not be able to cast votes on these proposals if you do not provide them with voting instructions. Any broker non-votes will have the same effect as a vote against Proposal 3, but will not affect the outcome of Proposal 1 because directors are elected by a plurality of votes cast.

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Please provide voting instructions to the bank, broker, or other nominee that holds your shares by carefully following their instructions.

Other Information

If no instructions are indicated on a duly executed and returned proxy, the shares represented by the proxy will be voted FOR the election of the eight nominees for director proposed by the Board and set forth herein, FOR the ratification of the appointment of BDO USA, LLP as the independent registered public accounting firm of the Company for fiscal year 2014, FOR the approval, on an advisory basis, of the Company's named executive officer compensation and in accordance with the judgment of the persons named in the proxy as to such other matters as may properly come before the Annual Meeting.

PROPOSAL 1

ELECTION OF DIRECTORS

Directors and Nominees

The Board has determined that the number of directors shall be eight and, accordingly, eight persons have been nominated to serve as directors to hold office until the next annual meeting or until their successors shall be duly elected and qualified. The names of, and certain information with respect to, the nominees of the Board for election as directors, are set forth below. All nominees are currently CECO directors. If, for any reason, any nominee should become unable or unwilling to serve as a director, the Board may either reduce the number of directors to be elected or select a substitute nominee. If a substitute nominee is selected, the persons named in the proxy card may exercise their discretion to vote your shares for the substitute nominee.

All of our director nominees, other than Jason DeZwirek, Jeffrey Lang and Jonathan Pollack, qualify as independent directors in accordance with the listing requirements of NASDAQ. The NASDAQ independence definition includes a series of objective tests, including that the director is not an employee of CECO and has not engaged in various types of business dealings with us. In addition, the Board has made a subjective determination as to each independent director that no relationships exist which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

The following table shows information as of April 1, 2014 for each director nominee.

Name	Age	Position with CECO
Jason DeZwirek	43	Chairman of the Board and Director
Jeffrey Lang	57	Chief Executive Officer and Director
Jonathan Pollack	42	Assistant Secretary and Director
Arthur Cape ¹	77	Director
Eric Goldberg ²	44	Director
Lynn J. Lyall ¹	60	Director
Seth Rudin	43	Director
Donald A. Wright ^{1,2}	76	Director

¹ Member of the Audit Committee

² Member of the Compensation Committee

The Board believes that our current directors as a whole provide the diversity of experience and skills necessary for a well-functioning Board. The Board values highly the ability of individual directors to contribute to a constructive Board environment and the Board believes that the current Board members, collectively, perform in such a manner. Set forth below is a more complete description of each director's background, professional experience, qualifications and skills.

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Jason DeZwirek became a director of the Company in February 1994. He succeeded his father, Phillip DeZwirek, as Chairman of the Board effective May 15, 2013. He served as Secretary of the Company on February 20, 1998 until September 2013. He also serves as a member of the boards of directors of the Company's subsidiaries. He was the founder (1999), Chairman, and CEO of Kaboose Inc., which was listed on the Toronto Stock Exchange and was the largest independent family focused online media company in the world. Kaboose Inc. was sold to Disney and Barclays Private Equity in 2009. Mr. DeZwirek also previously served as a director and the Secretary of API Technologies Corp., a prime contractor in electronics, highly engineered systems, secure communications, and electronic components and sub-systems for the defense and aerospace industries, from November 2006 through January 2011. Mr. DeZwirek also is and has been involved in private investment activities.

With his experience at Kaboose Inc., Mr. DeZwirek brings broad executive expertise, including operations, technology, management, and strategy. Having served as director of the Company for over 20 years, he also has a breadth of knowledge of the overall issues the Company faces.

Jeffrey Lang has served as a director and the Chief Executive Officer since February 15, 2010, as President since September 3, 2013 and in several leadership positions with our subsidiaries since October 2010. From May 20, 2010 until September 3, 2013, Mr. Lang also served as our Chief Operating Officer. Prior to joining the Company, from 2007 until 2009, Mr. Lang was the Executive Vice President, Operating Officer of McJunkin Red Man Corporation, a \$4.5 billion distributor of pipes, valves and fittings and related services serving the petrochemical, petroleum refining, pulp and paper, oil industry, and utilities. From 2006 until 2007, he was the Senior Vice President and Operating Officer of Red Man Pipe and Supply Company, a \$1.8 billion pipe distribution company, which merged with McJunkin Corporation to form McJunkin Red Man Corporation. Mr. Lang was employed by Ingersoll Rand Company, a global industrial company, for twenty-five years from 1980 to 2005. He started out as a sales engineer in 1980, became a Sales and Service Branch Manager in 1985, the Southeast U. S. Area Manager, Air Solutions in 1995, and by 1999 was the Director and General Manager, North American Distributor Division, and from 2002 to 2005 served as the Director and General Manager, North American industrial Air Solutions, reporting directly to the President of the Air Solutions Group.

Mr. Lang has over 30 years of executive operating management experience, including international experience. Mr. Lang also brings industrial and energy sector expertise to the Board. As our Chief Executive Officer, he provides the Board with valuable insight on the day-to-day operations of the Company and any current issues it may face.

Jonathan Pollack became a director on May 17, 2011 and has served as Assistant Secretary of the Company since May 15, 2012. He is currently the President of JMP Fam Holdings, Inc., an investment and consulting company. Previously, he served as Executive Vice President of API Technologies Corp. (NASDAQ:ATNY), a leading provider of RF/microwave, microelectronics and security technologies for critical and high-reliability applications, from September 4, 2009 and as a director from June 2007 until, in each case, January 2011. Mr. Pollack also served on its audit committee and compensation committee from January 2007 through September 4, 2009. From March 2005 through its sale in 2009, he served as the Chief Financial Officer and Corporate Secretary of Kaboose Inc. Prior thereto, he worked in investment banking in New York. Mr. Pollack was formerly a director of Hanfeng Evergreen Inc. (TSX:HF) from November 2010 until February 2013. Mr. Pollack was reappointed to the board of directors of Hanfeng Evergreen Inc. on February 24, 2014 and serves as the lead director and is a member of the audit committee and the governance and compensation committee. Mr. Pollack was formerly a director of Lifebank Corp. (TSX-V:LBK) from November 2003 until its sale in September 2012, where he served on the audit committee and compensation committee. Mr. Pollack received a Masters of Science in Finance from the London School of Economics and a Bachelors of Commerce from McGill University. He sits on the Boards of several philanthropic organizations including the Mt. Sinai Hospital Foundation, Toronto, Ontario, the Crescent School Foundation, Toronto, Ontario, and the Sterling Hall School, Toronto, Ontario.

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Mr. Pollack brings 18 years of financial, strategic, and merger and acquisitions expertise to the Board, which will assist the Board as the Company expands its business. He also brings experience serving on public company boards.

Arthur Cape has served as a director since May 25, 2005. He has also served on the Audit Committee since such date. Mr. Cape has served the manufacturing industry for over 30 years. Since 1991, he has served as Director of International Sales for Shymac Innovative Marketing, located in Montreal, Canada, and from 2001 through January 2009, served as Director of Sales for AJB Continental, located in San Antonio Texas. Shymac Innovative Marketing manufactures products for the automotive after-market and AJB Continental was a distributor of hairbrushes and styling tools for the professional beauty industry. From June 2007 through January 2011, Mr. Cape served as a director and a member of the audit committee of API Technologies Corp. (NASDAQ:ATNY). Mr. Cape has also acted as a consultant for several factories in China in the manufacturing and injection molding of plastic articles. He has been active in youth awareness programs and has served on various youth committees in Canada.

Mr. Cape brings extensive manufacturing, marketing and sales experience to the Board, including international experience, which is valuable as we expand our business globally. He also brings experience in serving on a public company audit committee.

Eric M. Goldberg has served as a director of the Company since April 12, 2013. He has, since 1996, served as the President of Pittsburgh, Pennsylvania-based All American Events & Tours, a sports incentive company, specializing in providing unique and customized experiences for retail and corporate clients. Since 1997, Mr. Goldberg has also been a principal of GKK Capital, a commercial real estate development company. From 1996 until 1999, Mr. Goldberg was General Counsel for Native American Nations, a company focusing on developing business strategies for Native American Tribes throughout the United States. From 2010 until 2011, Mr. Goldberg served as a director of API Technologies Corp. (NASDAQ:ATNY). Mr. Goldberg received a Bachelor of Science in Management from the Tulane University A. B. Freeman School of Business and a Juris Doctorate Degree from the University of Miami School of Law. Mr. Goldberg is a member of the Florida Bar.

Mr. Goldberg brings 19 years of sales, marketing, operations, strategic planning, and legal expertise to the Board, which assists the Board as it continues to expand the business.

Lynn J. Lyall became a director on December 31, 2013. The Board also appointed Mr. Lyall as chairman of the Audit Committee, also effective on December 31, 2013. Since January 15, 2014, Mr. Lyall has served as Chief Financial Officer at Advanced Recovery Systems LLC, a healthcare clinic operator focused on serving patients with drug and alcohol addiction and eating disorders. Previously, Mr. Lyall served as Executive Vice President and Chief Financial Officer at Heartland Dental Care, Inc., a company that supports dentists and their teams, from 2009 until 2013 and Executive Vice President and Chief Financial Officer at Xrite, Inc., a global leader in color calibration technology, in 2008. He also has served as the Chief Financial Officer at Alticor, Inc. (formerly Amway Corporation) and Blockbuster Entertainment Group.

Mr. Lyall brings 25 years of leadership experience in domestic and international corporate finance, accounting and strategic planning across a broad spectrum of businesses to assist the Board in addressing the financial and business complexities that accompany global growth.

Seth Rudin has served as a director since April 12, 2013. Mr. Rudin is currently the President of Van Dyk Natural Stone Supplies Inc., a granite quarry in Muskoka, Ontario, and has been the President of Run 2IT Inc., a management consulting firm focused on the healthcare, technology and government industries, since 2006. For over 20 years, Mr. Rudin has worked extensively in healthcare, technology and government. Previously, Mr. Rudin served as Vice President of Business Development and Client Relations at PatientOrderSets.com, a provider of innovative clinical support services for use across all phases of health care, from 2011 until 2013, Managing Director of ABS System Consultants Ltd, a health care solutions company, from 2001 until 2010 and

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Vice President of InternetIncubation.com from 2000 until 2001. From 1992 until 2000, he held several senior positions within the Canadian Federal Government and the Provincial Government of Ontario, including Senior Advisor to the Canadian Minister of Citizenship and Immigration and as Chief of Staff to a Member of Parliament. Mr. Rudin currently serves as the Chair of the Justices of the Peace Appointments Advisory Committee for the Province of Ontario, has served as a Director of Mitec Technologies Inc. (TSX-V: MTM.h) since October 2013 and is involved with charitable and non-profit organizations. Mr. Rudin received his Bachelor s of Arts degree from Concordia University in 1992.

Mr. Rudin brings over 20 years of business and government experience to the Company, focusing on business development, sales, strategic planning, management, communications, and public relations.

Donald A. Wright became a director on February 20, 1998. Mr. Wright has also been a member of the Audit Committee since February 20, 1998 and the Compensation Committee since its formation on December 1, 2005. Mr. Wright has been a principal of and real estate broker with The Phillips Group in San Diego, California, a company which has been a real estate developer and apartment building syndicator, since 1992. Since September 2010, Mr. Wright has served as Associate Broker and Vice President of Syndication of SD Homes, a real estate brokerage firm and syndicator of apartment buildings in San Diego. From January 2005 through 2007, he was an associate real estate broker with One Source Realty GMAC in San Diego California, and from July 2007 through September 2010, was an associate real estate broker with Coldwell Banker Residential Brokerage. Mr. Wright served as director of API Technologies Corp. (NASDAQ:ATNY) from February 15, 2006 through June 3, 2011, and served on its audit committee and compensation committee. Mr. Wright went to the Wharton School of the University of Pennsylvania for his M.B.A. degree.

With over 16 years as serving on our Board and Audit Committee, Mr. Wright has a breadth of knowledge concerning issues affecting our Company. Mr. Wright also has additional experience as a public director, including serving on an audit committee.

In order to be elected, a nominee must receive a plurality of the votes cast at the meeting in person or by proxy.

The Board recommends a vote FOR approval of the election of the nominees named herein as directors.

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The Board and Its Committees

During the fiscal year ended December 31, 2013, the Board held seven meetings. The Board's policy regarding director attendance at the annual meeting of stockholders is that directors are encouraged to attend, and that we will make all appropriate arrangements for directors who attend. All of the directors serving at the time attended the 2013 annual meeting. All directors attended at least 75% of the aggregate number of meetings of the Board and the Committees on which they served during the fiscal year ended December 31, 2013. Executive sessions of the independent directors are also held. The standing committees of the Board include the Audit Committee and the Compensation Committee.

Audit Committee

The Company has a separately designated Audit Committee, as defined in Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (the Exchange Act). The members of the Audit Committee are Messrs. Lyall, Cape and Wright. Mr. Lyall serves as Chairman of the Audit Committee. The Board has determined that Mr. Lyall qualifies as an audit committee financial expert as described by Item 407(d)(5) of Regulation S-K of the Exchange Act, and that each of the Audit Committee members is independent under the applicable NASDAQ listing standards. The Audit Committee held five meetings in 2013.

The primary purpose of the Audit Committee is to assist the Board in its general oversight of CECO's financial reporting process and approval of the services provided CECO by its auditors. The Audit Committee also evaluates transactions where the potential for a conflict of interest exists. The Audit Committee's purposes are more fully described in its written charter, a copy of which can be found on our website www.cecoenviro.com on the Investor Information, Corporate Governance section.

Compensation Committee

Our Compensation Committee is comprised of Messrs. Goldberg and Wright, each of whom is an independent director under the applicable NASDAQ listing standards. The Compensation Committee operates under a written charter, which can be found on our website www.cecoenviro.com on the Investor Information, Corporate Governance section. The Compensation Committee held four meetings in 2013. The primary purpose of the Compensation Committee is to review and approve corporate goals and objectives relevant to the compensation of our Chief Executive Officer and other named executive officers, and to approve or make recommendations to the Board with respect to the compensation of our other executive officers. The Compensation Committee also administers the Amended and Restated CECO Environmental Corp. 2007 Equity Incentive Plan (the Incentive Plan) and the Employee Stock Purchase Plan (the ESPP). The Compensation Committee's processes and procedures for the consideration and determination of executive and director compensation are discussed in the section entitled *Executive Compensation* below.

Board Leadership Structure and Risk Oversight

The positions of Chief Executive Officer and Chairman of the Board are held by different individuals: Jason DeZwirek serves as Chairman and Jeffrey Lang serves as Chief Executive Officer. Our Bylaws provide that any two or more offices may be held by the same person, but the Board believes that the current separation of the offices of Chief Executive Officer and Chairman reflects the difference in the roles of those positions. The Chief Executive Officer is responsible for determining the strategic direction and the day-to-day leadership of the Company. The Chairman determines the agenda for and presides over Board meetings.

The separation of the roles of Chief Executive Officer and Chairman and the independence of a majority of the board members helps ensure independent oversight of management. All of the directors on the current Board, other than the Chairman, Jason DeZwirek, the Chief Executive Officer, Jeffrey Lang, and Jonathan Pollack qualify as independent under the NASDAQ rules. The standing committees—the Audit Committee and the Compensation Committee—are comprised entirely of independent directors and provide independent oversight of management.

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CECO's management is responsible for identifying, assessing and managing the material risks facing CECO. The Board performs an important role in the review and oversight of these risks, and generally oversees CECO's risk management practices and processes, with a strong emphasis on financial controls. The Board has delegated primary oversight of the management of (i) financial and accounting risks and related-party transaction risks to the Audit Committee and (ii) compensation risk to the Compensation Committee. To the extent that the Audit Committee or Compensation Committee identifies any material risks or related issues, the risks or issues are addressed with the full Board.

Nomination Process

The Company does not have a standing nominating committee. The Board does not believe that it is necessary to form a standing nominating committee given that we require director nominees to be selected, or be recommended for the Board's selection, by a majority of the independent members of the Board. Each director may participate in the selection of nominees that are recommended to the Board by the independent directors.

In lieu of a nominating committee charter, the Board adopted a Director Nomination Policy on September 28, 2004. A copy of the Director Nomination Policy can be found on our website www.cecoenviro.com on the Investor Information, Corporate Governance section.

We also have adopted a policy with respect to director candidates recommended by stockholders. The independent directors will consider director candidates recommended by stockholders for inclusion on the slate of directors recommended to the Board. Any stockholder may submit one candidate for consideration at each stockholder meeting at which directors are to be elected. Stockholders wishing to recommend a candidate must submit the recommendation no later than 120 days before the date our proxy statement was released to stockholders in connection with the previous year's annual meeting of stockholders, provided, that if we did not hold any annual meeting in the previous year, or if the date of the next annual meeting has been changed by more than 30 days from the date of the previous year's meeting, then the deadline will be a date that is a reasonable time before we begin to print and mail our proxy materials, but in no event, less than 90 days prior to such mailing. Recommendations must be sent to the following address: CECO Environmental Corp., 4625 Red Bank Road, Suite 200, Cincinnati, Ohio 45227, Attention: Secretary.

At the time the stockholder submits the recommendation for a director candidate, the stockholder must provide the following:

All information about the candidate that we would be required to disclose in a proxy statement in accordance with the rules of the Exchange Act.

Certification from the candidate that he or she meets the requirements to be (a) independent under the NASDAQ listing standards and (b) a non-management director under the Exchange Act.

Consent of the candidate to serve on the Board, if nominated and elected.

Agreement of the candidate to complete, upon request, questionnaire(s) customary for our directors.

A stockholder must also meet and comply with all applicable SEC rules and regulations relating to the nomination of director candidates by stockholders. The independent directors will evaluate candidates recommended by stockholders on the same basis as candidates recommended by other sources, including evaluating the candidate against the standards and qualifications set out in our Director Nomination Policy as well as any other criteria approved by the Board from time to time. The independent directors will determine whether to interview any candidate.

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Director Qualifications and Diversity

Our Board believes that the Board, as a whole, should have a diverse range of characteristics and skills to function at an optimal level in exercising its oversight over the Company. When evaluating a person for nomination for election to the Board, the qualifications and skills considered by the Board, including the independent Board members, include:

Whether the person will qualify as a director who is independent under applicable laws and regulations, and whether the person is qualified under applicable laws and regulations to serve as a director of CECO.

Whether the person is willing to serve as a director, and willing to commit the time necessary for the performance of the duties of a director.

The contribution that the person can make to the Board, with consideration being given to the person's business experience, education, skills, conflicts of interest, the interplay of the candidate's experience with that of other Board members, and such other factors as the Board may consider relevant.

The character and integrity of the person.

The Board applies a broad concept of diversity, which includes all of the criteria listed above together with other factors such as the nominee's age and leadership abilities. Although CECO does not have a diversity policy, when the Board seeks new director candidates to add to the Board or to replace directors who have resigned or recommends the re-election of incumbent directors, the Board selects director nominees on the basis of all of these criteria with the goal of finding the best match for CECO's Board.

With respect to skill set diversity, the Board seeks to have directors and nominees with not only experience and expertise related to air pollution control but also in a broad range of other areas, and the Board currently consists of members with expertise in manufacturing, finance, accounting and legal matters.

Stockholder Communications with Directors

The Board has adopted a process by which stockholders may communicate with the Board for matters other than director nominations. Stockholders who would like to communicate with the Board, or a committee of the Board, should send the communication to: Chairman of the Board, CECO Environmental Corp., 2300 Yonge Street, Suite 1710, Toronto, Ontario M4P 1E4.

Mr. DeZwirek will forward such communications to the Board at or prior to the next meeting of the Board. Stockholders wishing to communicate only with the independent directors can address their communications to Independent Directors, c/o Chairman of the Board at the same address above. These communications will be forwarded to the independent directors at or prior to the next meeting of the independent directors.

The Board or the independent directors will determine, in their respective sole discretion, the method by which any such communications will be reviewed and considered.

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Report of the Audit Committee

The Audit Committee has reviewed and discussed the audited financial statements of CECO for the fiscal year ended December 31, 2013, with CECO's management and has discussed with BDO USA, LLP, CECO's independent registered public accounting firm (the Auditors) those matters required to be discussed by Auditing Standard No. 16, Communications with Audit Committees, as adopted by the Public Company Accounting Oversight Board (the PCAOB).

In addition, the Audit Committee has received the written disclosures and the letter from the Auditors required by applicable requirements of the PCAOB, regarding the Auditors' communications with the Audit Committee concerning independence, and the Audit Committee has discussed the Auditors' independence with the Auditors.

Based on these reviews and discussions, the Audit Committee recommended to the Board that the audited financial statements be included in CECO's Annual Report on Form 10-K for the fiscal year ended December 31, 2013 for filing with the Securities and Exchange Commission (SEC).

Audit Committee

Lynn J. Lyall, Chairman

Arthur Cape

Donald A. Wright

Table of Contents**Security Ownership of Certain Beneficial Owners**

The following table sets forth the name and address of each beneficial owner known by CECO to be beneficial owner of more than five percent (5%) of CECO's common stock as of March 27, 2014.

Name and Address of Beneficial Owner	Amount and Nature of Common Stock Beneficially Owned	Percent of Total Shares of Common Stock Outstanding ¹
Jason DeZwirek ^{2,3} Chairman of the Board and Director 2300 Yonge Street, Suite 1710 Toronto, Ontario M4P 1E4	4,186,506	16.2%
Icarus Investment Corp. ³ 2300 Yonge Street, Suite 1710 Toronto, Ontario M4P 1E4	2,824,736	10.9%
Harvey Sandler Revocable Trust ⁴ 2080 NW Boca Raton Blvd #6 Boca Raton, FL 33431	1,961,903	7.6%

¹ Based upon 25,674,714 shares of our common stock outstanding as of March 27, 2014. For each named person, this percentage includes common stock of which such person has the right to acquire beneficial ownership either currently or within 60 days of March 27, 2014, including upon the exercise of an option or warrant; however, such common stock is not deemed to be outstanding for the purpose of computing the percentage owned by any other person.

² This information was obtained from a Schedule 13D/A filed with the SEC on September 11, 2013 and from information in our records. Jason DeZwirek is deemed to control Icarus Investment Corp. and has sole voting and dispositive power of the shares of common stock owned by Icarus Investment Corp. and ownership of such shares is attributed to Jason DeZwirek in this table. Includes 250,000 shares of common stock that may be purchased pursuant to warrants granted to Icarus on December 28, 2006.

³ Includes shares beneficially owned by Icarus Investment Corp. Please see footnote 2.

⁴ This information was obtained from a Schedule 13G/A filed with the SEC on February 12, 2014 and from information in our records. According to the Schedule 13G/A, Harvey Sandler, as the sole trustee of the trust, is deemed to have sole voting and dispositive control over these shares, and as a result may be deemed to beneficially own such shares. According to the Schedule 13G/A, Mr. Sandler disclaims beneficial ownership of these shares.

Table of Contents**Security Ownership of Management**

The following table sets forth the beneficial ownership of CECO's common stock as of March 27, 2014, for each director, director nominee, named executive officer and by all directors and executive officers of CECO as a group.

Name of Beneficial Owner	Number of Shares of Common stock Beneficially Owned	Percent of Total Common Shares Outstanding¹
Jason DeZwirek ¹	4,186,506	16.2%
Jeffrey Lang ²	304,900	1.2%
Benton Cook ³	20,000	*
Neal Murphy	0	*
Arthur Cape ⁴	2,500	*
Eric M. Goldberg ⁴	2,500	*
Lynn J. Lyall	0	*
Jonathan Pollack ⁵	102,601	*
Seth Rudin ⁴	3,800	*
Donald A. Wright ⁶	89,901	*
Executive Officers and Directors as a group (11 persons)	4,712,708	17.9%

* Less than 1%

¹ See Notes 2 and 3 to the prior table.

² Includes 300,000 options to purchase our common stock that are exercisable within 60 days of March 27, 2014 (vested options).

³ Includes 20,000 vested options.

⁴ Includes 2,500 vested options.

⁵ Includes 60,501 vested options. Also includes 2,300 shares owned by Mr. Pollack's spouse, over which she has sole voting and dispositive power, and 37,500 shares held by JMP Fam Holdings, over which Mr. Pollack has sole voting and dispositive power.

⁶ Includes 44,501 vested options.

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Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors and executive officers and persons beneficially owning more than ten percent of a class of our equity securities to file certain reports of beneficial ownership and changes in beneficial ownership with the SEC. Based solely on our review of Section 16(a) reports and any written representation made to us, the Company believes that all such required filings for 2013 were made in a timely manner.

Certain Transactions

Since January 1, 2013, we have not been a party to any transaction or series of similar transactions in which the amount involved exceeded or will exceed the lesser of \$120,000 or one percent of the average of our total assets at year end for the years ended December 31, 2013 and 2012 and in which any then director, executive officer, holder of more than 5% of our common stock, or any member of the immediate family of any of the foregoing, had or will have a direct or indirect material interest, other than in connection with the transactions described below.

From January 2013 until August 2013, we reimbursed Icarus Investment Corp. (Icarus) \$10,000 per month for office expenses at our Toronto office. Icarus was jointly controlled by Phillip DeZwirek, our former Chairman of the Board, and Jason DeZwirek, our current Chairman of the Board, until August 2013. Since August 2013, Jason DeZwirek has controlled Icarus.

During the fiscal year ended December 31, 2013, we paid fees of \$400,000 to Icarus for management consulting services. With respect to the services provided from January 1, 2013 until May 15, 2013, \$135,000, were paid to Phillip DeZwirek through Icarus. With respect to the services provided from May 15, 2013 until December 31, 2013, \$265,000, were paid to Jason DeZwirek through Icarus. The consulting fees were paid to Icarus under an oral agreement with the Company.

We entered into an oral agreement with JMP Fam Holdings, Inc. in August of 2011, under which JMP Fam Holdings provides us consulting services consisting of strategic advisory services, including the evaluation of financing options, capital structure, and potential acquisitions, for \$10,000 per month. Mr. Pollack, who controls JMP Fam Holdings, Inc., performs the services on behalf of JMP Fam Holdings. We paid JMP Fam Holdings \$320,000 in fiscal 2013, which included a \$200,000 transaction bonus, in connection with our acquisition of Met-Pro Corporation in August 2013.

Executive Compensation

Throughout this proxy statement Jason DeZwirek, Jeffrey Lang, Neal Murphy and Benton Cook are referred to as the named executive officers.

Overview of Compensation Program

The Compensation Committee oversees our compensation programs, with particular attention to the compensation for our Chief Executive Officer and the other named executive officers. It is the responsibility of the Compensation Committee to review and approve or, as the case may be, recommend to the Board for approval, changes to our compensation policies and benefits programs, to recommend and approve stock-based awards to named executive officers, and to otherwise ensure that the Company's compensation philosophy is consistent with the best interests of the Company and its stockholders and is properly implemented and monitored. The Compensation Committee reports to the Board on all compensation matters regarding our directors, executives, and other key salaried employees. The Compensation Committee annually reviews and

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approves the compensation for our directors, executives, and other key salaried employees. The Compensation Committee does not generally delegate any of its authority to other persons, although it has the power to delegate authority to subcommittees.

The day-to-day administration of savings, health, welfare, and paid time-off plans and policies applicable to salaried employees in general are handled by our human resources and finance department employees. The responsibility for certain fundamental changes outside the day-to-day requirements necessary to maintain these plans and policies belongs to the Compensation Committee.

Compensation Policy and Processes

Objectives

The principal objective of our compensation program is to attract, motivate and retain and reward highly qualified persons who are committed to the achievement of solid financial performance and excellence in the management of the Company's assets. The Compensation Committee believes that the most effective executive compensation program is one that is designed to reward the achievement of annual, long-term, and strategic goals by the Company and to align named executive officers' interests with those of the Company's stockholders. The Compensation Committee accomplishes this by providing competitive compensation designed to link executive compensation to the Company's financial and operational performance, as well as rewarding overall high performance of its named executive officers, with the ultimate objective of increasing stockholder value. The Compensation Committee evaluates compensation against individual performance and external market factors to ensure that we maintain our ability to attract and retain key executive talent. To that end, total compensation generally is comprised of a base salary plus incentive compensation, based on the Company's financial performance and other factors, including achievement of individual goals. Individual non-incentive bonuses are also part of overall compensation from time to time based on an individual's special efforts.

Role of Executive Officers in Compensation Decisions

Based on the foregoing objectives, the Compensation Committee has structured the Company's annual and incentive-based executive compensation to motivate the named executive officers to achieve the business goals set by the Company and to reward the named executive officers for achieving such goals. These goals have generally included an individual performance goal as well as overall company performance goals. The Compensation Committee from time to time relies upon recommendations made by the Company's management, and in particular, the Chief Executive Officer, regarding compensation for named executive officers other than the Chief Executive Officer. The Compensation Committee reviews and approves, or, if the situation warrants, recommends to the full Board for approval, all new executive compensation programs, including those for the named executive officers. As part of its review and establishment of the performance criteria and compensation of our named executive officers, the Compensation Committee meets separately at least once on an annual basis with the Chief Executive Officer and other executives as it deems appropriate. The Chief Executive Officer and such other executives as the Chief Executive Officer deems appropriate, including the Chairman, annually review the performance of each of the named executive officers of the Company (other than the Chief Executive Officer whose performance is reviewed by the Compensation Committee). The conclusions reached and recommendations based on these reviews are presented to the Compensation Committee. The Compensation Committee exercises its discretion in modifying any recommended adjustments or awards to named executive officers.

Setting Executive Compensation

The Compensation Committee evaluates the performance of the Chief Executive Officer and the other named executive officers and, based on such evaluation, reviews and approves the annual salary, bonus, long-term stock-based compensation, and other material benefits, direct and indirect, of the Chief Executive Officer

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and other named executive officers, subject to the terms of any employment agreement. In determining appropriate base salary levels, consideration is given to the named executive officer's impact level, scope of responsibility, past accomplishments and other similar factors.

Long-Term Equity Compensation

The Company believes that granting stock-based awards and options from time to time provides named executive officers with a strong economic interest in maximizing stockholder returns over the longer term. The Company also believes that the practice of granting stock-based awards is important in retaining and recruiting the key talent necessary to ensure the Company's continued success.

Consistent with such belief, in April 2007, the Compensation Committee approved, and recommended for the Board's approval, the Incentive Plan, which was adopted by the stockholders in May 2007. Furthermore, in August 2013, the stockholders approved an amendment to the Incentive Plan to increase the number of shares of common stock issuable thereunder. The Incentive Plan permits us to grant stock awards as well as option awards. The Compensation Committee believes that this gives the Company more flexibility in designing its overall compensation packages. The Incentive Plan is designed to promote the long-term financial interests and growth of the Company by attracting and retaining management with the ability to contribute to the success of the business, by providing an opportunity for increased equity ownership by named executive officers and by maintaining competitive levels of total compensation. The Compensation Committee administers the Incentive Plan.

Under the Incentive Plan, awards may be restricted stock grants, bonus stock grants without restrictions, non-qualified stock options, incentive stock options and restricted stock units. The restrictions on awards may be based on performance and/or time vesting. Prior to the adoption of the Incentive Plan, it was the policy of the Compensation Committee to grant incentive stock options for all eligible employees granted options, as incentive to provide the employees with an enhanced tax benefit over non-qualified stock options. Since the adoption of the Incentive Plan, the Compensation Committee has issued both restricted stock and options, although the Company has only issued options in recent years.

In May 2009, the Company also adopted the ESPP, which permits employees to purchase Company stock at a discount. Named executive officers, unless such officer owns 5% of our stock, may participate in the ESPP on the same terms as the rest of our employees.

The Company has no formal policy regarding stock ownership or retention by the Company's named executive officers.

Risk Considerations in our Compensation Program

We structure the compensation of management, other than for our Chairman, to consist of both fixed and variable compensation. The fixed (or salary) portion of compensation is designed to provide a steady income so management does not feel pressured to focus exclusively on short-term gains, which may be to the detriment of long-term appreciation and other business metrics. The variable (cash bonus and, in some cases, stock and option awards) portions of compensation are designed to reward both individual performance and overall corporate performance. For individual performance, bonuses are qualitatively determined by the Compensation Committee. Company performance is determined based on overall operating income. We believe that the variable components of compensation are sufficient to motivate management to produce superior short- and long-term corporate results while the fixed element is also sufficient that management is not encouraged to take unnecessary or excessive risks in doing so.

Table of Contents**2013 Summary Compensation Table**

Name and Principal Position	Year	Salary (\$)	Bonus	Option Awards ¹	Non-Equity Incentive Plan Compensation ²	All Other Compensation	Total (\$)
					(\$)	(\$)	
Jeffrey Lang Chief Executive Officer	2013	\$ 421,103	\$ 318,246	\$ 2,482,800	\$ 421,103	\$ 20,883 ³	\$ 3,664,135
Jason DeZwirek Chairman of the Board ⁴	2012	\$ 402,325			\$ 402,325	\$ 21,046	\$ 825,696
Jason DeZwirek Chairman of the Board ⁴	2013					\$ 265,000 ⁵	\$ 265,000
Neal Murphy Former Chief Financial Officer and Secretary ⁶	2013	\$ 86,691	\$ 100,000	\$ 476,175	\$ 45,000	\$ 9,421 ⁷	\$ 717,287
Benton Cook ⁸ Vice President of Finance, Controller and Former Interim Chief Financial Officer	2013	\$ 119,680	\$ 37,594	\$ 121,620	\$ 23,936	\$ 7,427 ⁹	\$ 310,257
Benton Cook ⁸ Vice President of Finance, Controller and Former Interim Chief Financial Officer	2012	\$ 112,300	\$ 420	\$ 32,794	\$ 22,880	\$ 5,397	\$ 173,371

¹ Represents the aggregate grant date fair value of stock awards and options awards calculated in accordance with FASB ASC Topic 718, disregarding estimated forfeitures, rather than amounts realized by the named individuals. Assumptions used in calculating these amounts are included in Note 10 to the Company's audited financial statements for 2013 included in the Company's Annual Report on Form 10-K for 2013.

² The amounts shown in this column consist of performance-based compensation received by Mr. Cook under the Bonus Plan, Mr. Lang pursuant to performance objectives established pursuant to his Employment Agreement and Mr. Murphy pursuant to the compensation package contained in the letter agreement between the Company and himself.

³ Represents Company contribution of \$5,500 to our 401(k) plan on behalf of Mr. Lang, \$3,383 of insurance premiums paid for term life insurance for his benefit and a \$12,000 car allowance.

⁴ Mr. DeZwirek was appointed as Chairman on May 15, 2013.

⁵ Represents amounts paid to Icarus for consulting services from May 15, 2013 until December 31, 2013.

⁶ Mr. Murphy served as Chief Financial Officer and Secretary from September 3, 2013 until March 14, 2014. Since March 14, 2014, Edward J. Prajzner has served as our Chief Financial Officer and Secretary.

⁷ Represents \$275 of insurance premiums paid for term life insurance for Mr. Murphy's benefit, a \$2,717 car allowance and \$6,429 in short-term disability payments.

⁸ Mr. Cook resigned as Interim Chief Financial Officer on September 3, 2013.

⁹ Represents Company contribution of \$5,798 to our 401(k) plan on behalf of Mr. Cook, and \$1,629 of insurance premiums paid for term life insurance for his benefit.

Employment Agreements

In February 2010, the Compensation Committee approved an Employment Agreement for our Chief Executive Officer, Jeffrey Lang, which was extended until February 15, 2018 on September 4, 2013. Mr. Lang's Employment Agreement provides that he will receive an annual base salary, which was \$402,325 in 2012, \$421,103 from January 1, 2013 until December 1, 2013, and has been \$439,349 since December 1, 2013; payment of relocation expenses of up to \$50,000; an annual bonus; and various other benefits generally granted to other executives. The annual bonus will have a target value equal to 100% of Mr. Lang's base salary based on the Company and Mr. Lang achieving certain performance milestones as established by the Compensation Committee. Mr. Lang also received an option grant in connection with his hiring to purchase 600,000 shares of stock under the Incentive Plan, which vests in five annual equal installments and has a per-share exercise price of \$3.78.

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Either the Company or Mr. Lang may terminate his Employment Agreement at any time without cause, although Mr. Lang must give 60 days notice of such termination. If the Company terminates Mr. Lang without cause, he is entitled to receive as severance pay twelve months' base salary and medical benefits, plus the annual bonus based upon the percentage of base salary applicable to the annual bonus for the prior fiscal year.

Under his Employment Agreement, Mr. Lang is subject to certain confidentiality covenants for an unlimited amount of time and to non-competition and non-solicitation provisions during his employment and for two years following the termination of his employment, or for one year following the termination of his employment if he is terminated by the Company without cause. Also see *Potential Payments Upon Termination, Retirement, or Change of Control* for additional terms of his Employment Agreement.

On September 3, 2013, the Company entered into a letter agreement with Mr. Murphy, pursuant to which he received an annual base salary of \$270,000, a bonus target of 40% of base salary (subject to performance targets to be determined), with an increase to base salary to \$300,000 and bonus target of 50% of base salary (subject to performance targets to be determined), effective March 1, 2014. Mr. Murphy was also entitled to a retention bonus of \$100,000 on each of September 1, 2014 and September 1, 2015. On September 3, 2013, Mr. Murphy also was granted options to purchase 75,000 shares of Company common stock and a cash bonus of \$100,000. Mr. Murphy was also entitled to participate in the Company's standard benefits programs available to employees generally.

Base Salary

The Company provides named executive officers and other employees with base salary to compensate them for the expertise and value they bring to their jobs. Base salary is determined for each named executive officer based on his or her position and responsibility by taking into account the named executive officer's impact level, scope of responsibility, prior experience, past accomplishments and other similar factors and is subject to any existing employment agreement of such named executive officer.

Salary levels of the named executive officers are reviewed and approved by the Compensation Committee annually as well as upon a promotion or other change in job responsibility. The salary levels, including any increase thereof, are based on the Compensation Committee's evaluation of the individual's strengths, development and expected future contributions with respect to the corporate goals and objectives relevant to the individual's compensation, including individual performance.

2013 Executive Incentive Bonuses and Cash Bonuses

Mr. Lang is entitled, under his Employment Agreement, to an incentive cash bonus of up to 100% of his base salary depending on whether performance objectives, as approved by the Compensation Committee, are met. For 2013, the Compensation Committee approved and established multiple objectives. The objectives, which were both qualitative and quantitative, included achieving operating income of \$18.1 million and successfully completing such strategic company initiatives as completing and integrating our acquisitions of Aarding Thermal Acoustics B.V. and Met-Pro Corporation and strengthening China business. The Compensation Committee determined that he achieved all of those objectives and awarded him a non-equity incentive compensation award of \$439,349, which is equal to 100% of his then-current base salary. Mr. Lang also received a cash bonus of \$300,000 in connection with our acquisition of Met-Pro Corporation in August 2013.

Starting in 2006, the Compensation Committee determined that certain named executive officers should be granted a bonus based on the achievement of performance goals, consisting of both objective financial targets and personal performance targets. To that end, the Compensation Committee and the Board approved and adopted an Amended and Restated 2006 Executive Incentive Compensation Plan (the Bonus Plan). Under the Bonus Plan, the Compensation Committee selects the executive officers to participate in the Bonus Plan, determines the performance goals, and determines whether objectives and conditions for earning awards have been met. The bonuses are paid in cash to provide immediate short-term compensation.

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The Compensation Committee selected the named executive officers to participate in the Bonus Plan, determined the performance goals for fiscal year 2013, and determined whether objectives and conditions for earning awards were met. For 2013, the Compensation Committee selected Benton Cook to participate in the Bonus Plan. There were two components to the performance targets: one quantitative target based on achievement of a Company financial goal and one target based on achievement of individual goals.

The objective bonus for Mr. Cook was based on whether operating income exceeded a \$18.1 million target. If the target was met, Mr. Cook would be entitled to 15% of his then current base salary. On December 31, 2013, Mr. Cook's base salary was \$120,150.

Management, including our Chief Executive Officer, consulted with the Compensation Committee to determine Mr. Cook's individual goals. The individual performance targets for 2013 for Mr. Cook included improving working capital management, efficiently delegating accounting work streams, successful acquisition integration, finance team talent development and overseeing the tax credits initiative for research and development. If Mr. Cook achieved his individual goals, cash in the amount equal to up to 5% of his then-current base salary could be granted to him. It was determined that the Company met the quantitative target and Mr. Cook met his individual goals, and he therefore received a non-equity incentive compensation award of \$24,030 under the Bonus Plan. Mr. Cook also received a cash bonus of \$37,500 in connection with our acquisition of Met-Pro Corporation in August 2013.

Mr. Murphy received a cash retention bonus of \$100,000 in September 2013 in connection with beginning employment with the Company.

Options

From time to time, we issue options to provide long-term equity compensation to executive officers.

In connection with his hiring, we granted Mr. Lang options in 2010 to purchase 600,000 shares of our common stock, which vest over a five year period. Also, in connection with our acquisition of Met-Pro Corporation in August 2013, we granted Mr. Lang options to purchase 400,000 shares of our common stock, which vest over a five year period.

Mr. Cook received 3,000 options to shares of our common stock in May 2012 which vest over a four year period, 5,000 options to purchase shares of our common stock in November 2012, which vest over a four year period, 5,000 options to purchase shares of our common stock in May 2013, which vest over a four year period and 15,000 options to purchase shares of our common stock in August 2013 in connection with our acquisition of Met-Pro Corporation, which vest over a five year period.

In September 2013, in connection with beginning employment with the Company, Mr. Murphy received 75,000 options to purchase shares of our common stock, which were to vest over a five-year period beginning in September 2014. As a result of his resignation as Chief Financial Officer in March 2014, these options were terminated and Mr. Murphy has no vested options.

Perquisites and Other Personal Benefits

The Company provides certain named executive officers with perquisites and other personal benefits that the Company and the Compensation Committee believe are reasonable and consistent with the Company's overall compensation program to better enable the Company to attract and retain employees for key positions. These perquisites include car allowances and payment of life insurance premiums.

The Kirk & Blum Manufacturing Company, one of our subsidiaries, sponsors a 401(k) retirement plan for our employees. Pursuant to the plan, the Company matches contributions each pay period at 100% of the employee's contributions for the first 1%, and 50% on the next 5%, of an employee's compensation. The named executive officers may participate in the 401(k) plan on the same terms as the rest of our employees.

Table of Contents**Outstanding Equity Awards at Fiscal 2013 Year-End**

The following table sets forth information regarding outstanding equity awards for each named executive officer as of the end of fiscal year 2013.

Name	Option Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date
Jeffrey Lang	180,000	240,000 ¹	\$ 3.78	2/15/2020
		400,000 ²	\$ 12.72	8/27/2023
Jason DeZwirek				
Neal Murphy		75,000 ³	\$ 13.00	9/03/2023
Benton Cook	10,000		\$ 11.09	1/16/2017
	2,000		\$ 1.98	12/01/2018
	4,000		\$ 5.26	4/29/2020
	750	2,250 ⁴	\$ 7.09	5/21/2022
	1,250	3,750 ⁵	\$ 9.63	11/15/2022
		5,000 ⁶	\$ 12.05	5/22/2023
		15,000 ⁷	\$ 12.72	8/27/2023

¹ An additional 120,000 options vested on February 15, 2014 and the remaining options on February 15, 2015.

² Options vest in five equal annual installments on the anniversary date of grant, commencing August 27, 2014.

³ As a result of Mr. Murphy's resignation in March 2014, these options were terminated.

⁴ Remaining options vest in three annual installments on the anniversary date of grant, commencing May 21, 2014

⁵ Remaining options vest in three equal annual installments on the anniversary date of grant, commencing November 15, 2014.

⁶ Options vest in four equal annual installments on the anniversary date of grant, commencing May 22, 2014.

⁷ Options vest in five equal annual installments on the anniversary date of grant, commencing August 27, 2014.

Potential Payments Upon Termination, Retirement, or Change of Control

Regardless of the manner in which a named executive officer's employment terminates, he is entitled to receive amounts earned during his term of employment. The Company has no formal policy regarding severance payments or retirement payments. Upon death or disability of a named executive officer, the named executive officer will receive benefits under the disability or life insurance policies maintained for such officer, as appropriate.

None of the Company's named executive officers has an employment agreement with the Company, except for Mr. Lang. However, in connection with our acquisition of Met-Pro Corporation in August 2013, the Company agreed to honor Mr. Murphy's First Amended and Restated Key Employee Severance Agreement by and between himself and Met-Pro Corporation (the "Severance Agreement").

Under the Employment Agreement with Mr. Lang, upon a termination by the Company without cause, provided he remains in compliance with his non-compete and confidentiality obligations, he will be entitled to continued base salary and medical benefits for twelve months, plus an annual bonus based upon the percentage of

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base salary applicable to the annual bonus for the prior fiscal year. In addition, vested stock options would remain exercisable for 90 days. Cause under the Employment Agreement includes, among other items, willful and material breach of the terms of the Employment Agreement by Mr. Lang, conviction of a felony or certain misdemeanors, and his failure to perform his duties as lawfully directed by the Board, subject to a cure period. If the Employment Agreement is terminated due to his the death or disability (as defined in the Employment Agreement), Mr. Lang will be entitled to three months continued base salary, subject to continued compliance with his non-compete and confidentiality obligations.

In addition, if there is a Change in Control of the Company (as defined in the Incentive Plan) and Mr. Lang is not offered employment as chief executive officer with a compensation package equal to or better than his base salary and bonus under his Employment Agreement, then Mr. Lang is to resign and be entitled to a lump sum on the date of the Change in Control equal to his annual base salary plus his bonus in an amount equal to the same percentage of his base salary as the bonus, if any, that he received for the most recently ended fiscal year. Also, upon a Change in Control the 600,000 stock options granted to Mr. Lang upon his hiring will immediately vest to the extent not already vested.

The Severance Agreement provides that in the event of a Change of Control (as defined in the Severance Agreement) and the Involuntary Termination of Employment (as defined in the Severance Agreement), within eighteen (18) months thereafter, the Company shall pay an amount that is equal to 150% of his compensation in effect at the time that a Change of Control occurs or thereafter, whichever is higher. Payment shall be due and payable in one lump sum payment (less all income tax, employment tax and other withholdings) on the thirtieth (30th) day following the date of his termination (or on the sixtieth (60th) day in the event the termination may be deemed a mass layoff under the Older Workers Benefit Protection Act of 1990). Mr. Murphy's compensation under the terms of the agreement shall mean the sum of (i) the annual rate of base salary (exclusive of bonuses, sick leave, vacation pay or other extra compensation or benefits) being paid at the time when a Change in Control occurs or as of the date of the Involuntary Termination of Employment, whichever is higher, and (ii) the average of the annual bonus amount paid or due to him for each of the three fiscal years most recently ended prior to the date of the Involuntary Termination of Employment (or, if he has been employed less than three fiscal years, the actual number of fiscal years of employment completed by him, with January 31, 2013 being deemed the first such fiscal year to be completed), pursuant to Met-Pro Corporation's Management Incentive Plan or any similar plan to which he is a party providing for the payment of annual cash incentive compensation. In addition to the payment of 150% of compensations, Mr. Murphy is entitled to reimbursements for his cost for participating in the Company's health and medical plan to the extent, and for the period of time (but not to exceed eighteen (18) months after the date of his Involuntary Termination of Employment), he is entitled to such continued coverage under Part 6 of Title I of the Employee Retirement Income Security Act of 1974, as amended (COBRA Coverage). However, such COBRA Coverage will terminate immediately upon him becoming entitled to participate under a health and medical plan of another employer.

Table of Contents**Director Compensation for Fiscal Year 2013**

The following table provides information on 2013 compensation for each of our directors who are not named executive officers and who served during 2013. The table does not include expenses for attending meetings.

Name	Fees Earned or Paid in Cash (\$)	Option Awards ¹ (\$)	All Other Compensation (\$)	Total (\$)
Arthur Cape	\$ 30,000	\$ 44,138 ^{2,3}	\$ 0	\$ 74,138
Phillip DeZwirek ⁴	\$ 0	\$ 0 ⁵	\$ 135,000 ⁶	\$ 135,000
Thomas J. Flaherty ⁷	\$ 9,000	\$ 0 ⁸	\$ 25,000 ⁹	\$ 34,000
Eric Goldberg	\$ 20,000	\$ 44,138 ^{2,3}	\$ 0	\$ 64,138
Ronald E. Krieg ¹⁰	\$ 36,000	\$ 44,138 ^{2,11}	\$ 0	\$ 80,138
Lynn J. Lyall ¹²	\$ 0	\$ 81,700 ¹³	\$ 0	\$ 81,700
Jason Meretsky ⁷	\$ 9,000	\$ 0 ¹⁴	\$ 0	\$ 9,000
Jonathan Pollack	\$ 30,000	\$ 137,243 ^{2,15}	\$ 320,000 ¹⁶	\$ 487,243
Seth Rudin	\$ 20,000	\$ 44,138 ^{2,3}	\$ 0	\$ 64,138
Donald Wright	\$ 30,000	\$ 44,138 ^{2,17}	\$ 0	\$ 74,138

¹ Represents the aggregate grant date fair value of option awards calculated in accordance with FASB ASC Topic 718, disregarding estimated forfeitures, rather than amounts realized by the named individuals. Assumptions used in calculating these amounts are included in Note 10 to the Company's audited financial statements for the 2013 included in the Company's Annual Report on Form 10-K for 2013.

² Represents a grant of options for 7,500 shares of common stock made on May 15, 2013, which will vest in three equal annual installments on the anniversary date of grant, commencing May 15, 2014.

³ On December 31, 2013, Mr. Cape, Mr. Goldberg and Mr. Rudin had options to purchase 7,500 shares of common stock, none of which were vested.

⁴ Mr. Phillip DeZwirek resigned from the Board on May 15, 2013.

⁵ On December 31, 2013, Mr. Phillip DeZwirek did not have any options to purchase shares of common stock.

⁶ Represents consulting fees paid to Mr. Phillip DeZwirek's through Icarus from January 1, 2013 until May 15, 2013. The amounts in *All Other Compensation* represent the consulting fees, and do not represent fees received in connection with his service as a director.

⁷ Mr. Flaherty and Mr. Meretsky did not stand for re-election at the 2013 annual meeting.

⁸ On December 31, 2013, Mr. Flaherty did not have any options to purchase shares of common stock.

⁹ Mr. Flaherty received a \$25,000 cash bonus in connection with our acquisition of Met-Pro Corporation in August 2013.

¹⁰ Mr. Krieg resigned from the Board on December 31, 2013.

¹¹ On December 31, 2013, Mr. Krieg had options to purchase 61,500 shares of common stock, all of which were vested.

¹² Mr. Lyall was appointed to the Board on December 31, 2013.

¹³ On December 31, 2013, Mr. Lyall had options to purchase 10,000 shares of common stock, none of which were vested.

¹⁴ On December 31, 2013, Mr. Meretsky did not have any options to purchase shares of common stock.

¹⁵ Represents a grant of options for 15,000 shares of common stock on August 27, 2013, which will vest in five equal installments on the anniversary date of grant, commencing August 27, 2014. On December 31, 2013, Mr. Pollack held options to purchase 95,500 shares of common stock, 55,334 of which were vested.

¹⁶ Mr. Pollack received \$10,000 per month for consulting fees and received a \$200,000 transaction fee in connection with our acquisition of Met-Pro Corporation in August 2013. See *Certain Transactions* above. The amounts in *All Other Compensation* represent the consulting fees, and do not represent fees received in connection with his service as a director.

¹⁷ On December 31, 2013, Mr. Wright had options to purchase 51,500 shares of common stock, 39,334 of which were vested.

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Directors who are named executive officers of CECO do not receive any additional compensation for their services as directors. During 2013, the non-named executive officer directors received an annual retainer, which is paid quarterly. Directors Cape, Pollack and Wright received annual retainers in the amount of \$30,000, Mr. Goldberg and Mr. Rudin received annual retainers in the amount of \$20,000, Mr. Meretsky received an annual retainer in the amount of \$9,000, Mr. Flaherty received an annual retainer in the amount of \$34,000, which included \$25,000 in connection with our acquisition of Met-Pro Corporation in August 2013, and Mr. Krieg received an annual retainer in the amount of \$36,000, which included \$6,000 in recognition of his service as the Chairman of the Audit Committee. Mr. Lyall did not receive an annual retainer in 2013.

The independent directors also received options in lieu of meeting fees. The Compensation Committee determined that issuing options in lieu of cash meeting payments would simplify the directors' compensation while promoting the ownership of stock of the Company. We therefore granted on May 15, 2013 options to purchase 7,500 shares of common stock to each of the non-named executive officer directors, other than Mr. Phillip DeZwirek, Mr. Flaherty, Mr. Meretsky and Mr. Lynn. The options vest in three equal annual installments commencing May 15, 2014. We also reimburse or pay the Board members their reasonable travel and out-of-pocket expenses to attend meetings.

PROPOSAL 2**RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

At the recommendation of the Audit Committee, the Board has appointed the firm of BDO USA, LLP (BDO) as our independent registered public accounting firm for the fiscal year ending December 31, 2014. BDO has served as our independent registered public accounting firm since September 2008.

The Audit Committee pre-approves any engagement of BDO and has the ultimate authority and responsibility to select, evaluate and where appropriate, replace the independent registered public accounting firm and nominate an independent registered public accounting firm for stockholder approval.

A representative of BDO is expected to be present at the Annual Meeting and will have the opportunity to make a statement and to respond to appropriate questions. Although stockholder approval of the selection of BDO is not required by law, the Board believes that it is advisable to give stockholders an opportunity to ratify this selection. If the stockholders fail to ratify the appointment of BDO, the Audit Committee may reconsider the selection.

Independent Registered Public Accounting Firm Fees

The following table sets forth the fees for services provided by BDO for the fiscal years ended December 31, 2013 and 2012.

	Fiscal Year 2013	Fiscal Year 2012
Audit Fees	\$ 946,397	\$ 388,949
Audit-Related Fees	\$ 163,642	\$ 5,550
Tax Fees	\$ 70,190	\$ 31,804
All Other Fees		
Total	\$ 1,180,229	\$ 426,303

The following is a description of the nature of the services comprising the fees disclosed in the table above for each of the four categories of services. The Audit Committee has considered whether providing non-audit services is compatible with maintaining BDO's independence.

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Audit Fees

These are fees for professional services for the audits of our annual consolidated financial statements, the review of financial statements included in Quarterly Reports on Form 10-Q, and services that are normally rendered in connection with statutory and regulatory filings or engagements.

Audit-Related Fees

These are fees for assurance and related services that are reasonably related to the performance of the audit or the review of our financial statements that are not included as audit fees. These services for 2013 include due diligence services related to our acquisition of Met-Pro Corporation.

Tax Fees

These are fees for professional services rendered by BDO with respect to tax compliance, tax advice and tax planning. These services include consulting on tax planning matters, including consulting related to our acquisition of Aarding Thermal Acoustics B.V. in 2013.

All Other Fees

These are fees for other services rendered by BDO that do not meet the above category descriptions.

Audit Committee Pre-Approval Policy

The Audit Committee is responsible for pre-approving all audit services and permitted non-audit services (including the fees and retention terms) to be performed for the Company by its auditors prior to their engagement for such services. The Audit Committee has delegated to each of its members the authority to grant pre-approvals, such approvals to be presented to the full Audit Committee at the next scheduled meeting. None of the fees paid to BDO under the categories Audit-Related Fees and Tax Fees were approved by the Audit Committee after the services were rendered pursuant to the de minimis exception established by the SEC.

This proposal requires a favorable vote of the majority of shares represented at the Annual Meeting for approval.

The Board recommends a vote FOR the ratification of the appointment of BDO USA, LLP as independent registered public accounting firm of CECO for fiscal year 2014.

PROPOSAL 3

APPROVAL, ON AN ADVISORY BASIS, OF THE COMPANY'S NAMED EXECUTIVE OFFICER COMPENSATION

In accordance with Section 14A of the Exchange Act and the related rules of the SEC, we are including in this proxy statement a separate resolution to enable our stockholders to approve, on a discretionary and non-binding basis, the compensation of our named executive officers. Consistent with our stockholders' preference as indicated at our 2013 annual meeting, our stockholders are given an opportunity for advisory approval of the Company's executive compensation on an annual basis. Therefore, we expect that our stockholders will next have the opportunity to vote on the advisory approval of the Company's executive compensation at the 2015 annual meeting.

This proposal, commonly known as a "say-on-pay" proposal, gives our stockholders the opportunity to express their views on our named executive officers' compensation. This vote is not intended to address any

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specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies, and practices described in this proxy statement. Accordingly, you may vote on the following resolution at the Annual Meeting:

RESOLVED, that Company's stockholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in CECO Environmental Corp.'s proxy statement for the 2014 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the SEC, including the compensation tables and narrative disclosure.

This vote is advisory, and therefore non-binding. In considering their vote, stockholders are encouraged to read the Executive Compensation section of this proxy statement, which discusses the Company's compensation policies and procedures, and the compensation for the Company's named executive officers for the fiscal year ending December 31, 2013. The Board and the Compensation Committee expect to take into account the outcome of the vote when considering future executive compensation decisions to the extent they can determine the cause or causes of any significant negative voting results.

Our compensation programs are designed to motivate our executives to create a successful company. We believe that our compensation program rewards sustained performance that is aligned with long-term stockholder interests.

This proposal requires a favorable vote of the majority of shares represented at the Annual Meeting for approval.

The Board recommends that stockholders vote, FOR the approval, on an advisory basis, of the Company's named executive compensation described in the compensation tables and the narrative discussion of this proxy statement.

ADDITIONAL INFORMATION

Other Matters

As of the date of this proxy statement, the Board knows of no matters that will be presented for consideration at the Annual Meeting other than the proposals set forth in this proxy statement. If any other matters properly come before the Annual Meeting, it is intended that the persons named in the proxy will vote the shares they represent as the Board may recommend.

A copy of our proxy materials for the Annual Meeting will be sent to any stockholder without charge upon written or oral request addressed to CECO Environmental Corp., to the attention of the Secretary, 4625 Red Bank Road, Suite 200, Cincinnati, Ohio 45227 or by phone at (513) 458-2600. Any stockholder may also receive a copy of our Annual Report on Form 10-K for the year ended December 31, 2013 as filed with the SEC, without exhibits, upon written request to the address above.

Stockholder Proposals for 2015 Annual Meeting

Stockholders who wish to submit director nominees for consideration or who, in accordance with SEC Rule 14a-8, wish to present proposals for inclusion in the proxy materials to be distributed in connection with next year's annual meeting must submit their nominees or proposals so that they are received by the Secretary of the Company at 4625 Red Bank Road, Suite 200, Cincinnati, Ohio 45227, no later than the close of business on December 5, 2014. As the rules of the SEC make clear, simply submitting a nominee or proposal does not guarantee that it will be included. Any stockholder proposal not intended to be included in the proxy statement for consideration at our 2015 annual meeting will be considered untimely unless received by the Secretary of the Company no later than February 18, 2015.

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Method of Proxy Solicitation

The cost of solicitation of the proxies will be borne by us. In addition to this solicitation of the proxies, our employees, without extra remuneration, may solicit proxies personally or by telephone. We will reimburse brokerage firms, nominees, custodians, and fiduciaries for their out-of-pocket expenses for forwarding proxy materials to beneficial owners and seeking instruction regarding the proxy materials.

By Order of the Board of Directors

/s/ Jason DeZwirek
Jason DeZwirek
Chairman of the Board of Directors

April 4, 2014

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**ANNUAL MEETING OF STOCKHOLDERS OF
CECO ENVIRONMENTAL CORP.**

May 15, 2014

PROXY VOTING INSTRUCTIONS

INTERNET - Access **www.voteproxy.com** and follow the on-screen instructions or scan the QR code with your smartphone. Have your proxy card available when you access the web page.

TELEPHONE - Call toll-free **1-800-PROXIES** (1-800-776-9437) in the United States or **1-718-921-8500** from foreign countries from any touch-tone telephone and follow the instructions. Have your proxy card available when you call.

Vote online/phone until 11:59 PM EST the day before the meeting.

MAIL - Sign, date and mail your proxy card in the envelope provided as soon as possible.

IN PERSON - You may vote your shares in person by attending the Annual Meeting.

GO GREEN - e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy materials, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.amstock.com to enjoy online access.

COMPANY NUMBER

ACCOUNT NUMBER



Important Notice Regarding the Availability of Proxy Materials

for the Stockholders Meeting to Be Held on May 15, 2014

Our Annual Report to Stockholders and the Proxy Statement

are available at www.cecoenviro.com/investors.aspx

Please detach along perforated line and mail in the envelope provided IF you are not voting via telephone or the Internet.

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THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF DIRECTORS,

FOR PROPOSAL NO. 2, AND FOR PROPOSAL NO. 3.

PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE x

1. Election of Directors:

FOR ALL NOMINEES

WITHHOLD AUTHORITY

FOR ALL NOMINEES

FOR ALL EXCEPT
(See instructions below)

NOMINEES:

- Arthur Cape
- Jason DeZwirek

- Eric M. Goldberg
- Jeffrey Lang

- Lynn J. Lyall
- Jonathan Pollack
- Seth Rudin
- Donald A. Wright

2. To ratify the appointment of BDO USA, LLP as the independent registered public accounting firm of the Company for fiscal year 2014.

3. To approve, on an advisory basis, the Company's named executive officer compensation.

4. To transact such other business as may properly come before the meeting or any adjournments thereof.

FOR AGAINST ABSTAIN

FOR AGAINST ABSTAIN

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED AS DIRECTED BY THE STOCKHOLDER. IF NO SUCH DIRECTIONS ARE MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF THE NOMINEES LISTED HEREIN FOR THE BOARD OF DIRECTORS, FOR PROPOSAL 2, AND FOR PROPOSAL 3.

INSTRUCTIONS: To withhold authority to vote for any individual nominee(s), mark **FOR ALL EXCEPT** and fill in the circle next to each nominee you wish to withhold, as shown here: ·

PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.

Edgar Filing: CECO ENVIRONMENTAL CORP - Form DEF 14A

MARK HERE IF YOU PLAN TO ATTEND THE MEETING. **

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

..

Signature of Stockholder

Date:

Signature of Stockholder

Date:

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

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Important Notice of Availability of Proxy Materials for the Shareholder Meeting of

CECO ENVIRONMENTAL CORP.

To Be Held On:

May 15, 2014 at 1:00 p.m. Eastern Time

4625 Red Bank Road, Suite 200, Cincinnati, Ohio 45227

COMPANY NUMBER

ACCOUNT NUMBER

CONTROL NUMBER

This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. We encourage you to access and review all of the important information contained in the proxy materials before voting.

If you want to receive a paper or e-mail copy of the proxy materials for this, or any future, meeting of stockholders you must request one. There is no charge to you for requesting a copy. To facilitate timely delivery please make the request as instructed below before May 5, 2014.

Please visit www.cecoenviro.com/investors.aspx, where the following materials are available for view:

Notice of Annual Meeting of Stockholders

Proxy Statement

Form of Electronic Proxy Card

Annual Report to Stockholders

TO REQUEST MATERIAL: TELEPHONE: 888-Proxy-NA (888-776-9962) 718-921-8562 (for international callers)

E-MAIL: info@amstock.com

WEBSITE: <http://www.amstock.com/proxyservices/requestmaterials.asp>

TO VOTE:

ONLINE: To access your online proxy card, please visit www.voteproxy.com and follow the on-screen instructions or scan the QR code with your smartphone. You may enter your voting instructions at www.voteproxy.com up until 11:59, PM Eastern Time, the day before the meeting date.

IN PERSON: You may vote your shares in person by attending the Annual Meeting. To obtain directions to the Annual Meeting please call (513)-458-2600

TELEPHONE: To vote by telephone, please visit <https://secure.amstock.com/voteproxy/login2.asp> to view the materials and to obtain the toll-free number to call.

MAIL: You may request a card by following the instructions above.

1. Election of Directors:

NOMINEES:

Arthur Cape

Jason DeZwirek
Eric M. Goldberg

Jeffrey Lang

Lynn J. Lyall
Jonathan Pollack

Seth Rudin

Donald A. Wright

2. To ratify the appointment of BDO USA, LLP as the independent registered public accounting firm of the Company for fiscal year 2014.

3. To approve, on an advisory basis, the Company's named executive officer compensation.

4. To transact such other business as may properly come before the meeting or any adjournments thereof.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED AS DIRECTED BY THE STOCKHOLDER. IF NO SUCH DIRECTIONS ARE MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF THE NOMINEES LISTED HEREIN FOR THE BOARD OF DIRECTORS, FOR PROPOSAL 2, AND FOR PROPOSAL 3.

Please note that you cannot use this notice to vote by mail.