

**CHARTER OF THE  
GOVERNANCE AND  
CORPORATE MATTERS COMMITTEE  
OF THE BOARD OF DIRECTORS  
OF ACE AVIATION HOLDINGS INC.**

**1. Purpose**

The purpose of the Governance and Corporate Matters Committee (the "Committee") is to assist the Board of Directors (the "Board") of ACE Aviation Holdings Inc. (the "Corporation") in fulfilling its responsibilities by ensuring that corporate governance guidelines are adopted, disclosed and applied including director qualification standards, director responsibilities, director access to management and independent advisors, director compensation, director orientation and continuing education, management succession and annual performance evaluation of the Board, as well as such other matters delegated to the Committee by the Board.

**2. Composition and Qualification**

- (a) The Committee shall be comprised of two or more directors as determined by the Board, all of whom shall comply with eligibility and qualification standards under applicable legislation in effect from time to time.
- (b) The members of the Committee shall be appointed by the Board to hold office from the time of their appointment until the next annual general meeting of the shareholders or until their successors are appointed. Unless a Chair and a Secretary are appointed by the Board, the members of the Committee may designate a Chair and a Secretary by a majority vote of all the Committee members.
- (c) The Committee may invite, from time to time, such person as it may see fit to attend its meeting and to take part in discussion and consideration of the affairs of the Committee. However, any such persons invited may not vote at any meeting of the Committee.
- (d) The Board, may, at any time, remove any member of the Committee at its discretion and may accept the resignation of any member of the Committee. Vacancies at any time occurring on the Committee shall be filled by the Board.

**3. Meetings and Procedure**

- (a) The Committee shall meet at least four times annually, or more frequently as circumstances dictate. Such meetings shall be held by telephone or by any other

mean which enables all participants to communicate with each other simultaneously.

- (b) The Committee may fix its own procedure at meetings and for the calling of meetings except as may be otherwise provided by the Board.
- (c) A quorum for the transaction of business at a Committee meeting shall be a majority of the Committee members. All decisions and recommendations made by the Committee shall be made by a majority vote of the members present at the meeting.
- (d) For all decisions on issues for which the applicable legislation in effect from time to time requires the members participating in the discussions related to, and voting on, such issues to be independent (as defined under applicable legislation in effect from time to time), those members who are not independent will not participate in the discussions nor vote on such issues. In such event, the decisions made by the Committee on those matters shall be made by majority vote of the independent members present at the meeting.
- (e) An "*in-camera*" session of the members of the Committee shall be held as part of each meeting of the Committee.
- (f) Notice of meetings shall be given by letter, facsimile, email or telephone not less than 24 hours before the time fixed for the meeting. Notice of meetings shall state the date, the place and the hour at which such meetings will be held and need not be given for each meeting. Members may waive notice of any meeting.
- (g) The minutes of the Committee meetings shall accurately record the significant discussions of, and decisions made by, the Committee, including all recommendations to be made by the Committee to the Board and shall be distributed to Committee members as well as to all the directors of the Corporation, with copies to the Chief Executive Officer of the Corporation.
- (h) The Committee shall report to the Board on all proceedings and deliberations of the Committee at the first subsequent meeting of the Board, and at such other times and in such manner as the Board may require or as the Committee in its discretion may consider advisable.
- (i) To carry out its duties, the Committee will have access to independent advisors at the expense of the Corporation as well as having access to data and performance information relative to the Corporation. The Committee shall be free to choose advisors as it deems appropriate. These advisors will be given access to management and the work carried out by management for presentation to the Committee.

#### **4. Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

##### **(I) Related to Corporate Governance**

- (a) Review criteria regarding the composition of the Board and committees of the Board, such as size, proportion of inside to outside directors and qualifications including relatedness and independence and make recommendations to the Board.
- (b) Review criteria relating to tenure as a director, such as retirement age, limitations on the number of times a director may stand for re-election, and the continuation of directors in an honorary or similar capacity.
- (c) Review criteria for retention of directors unrelated to age or tenure, such as attendance at Board and committee meetings, health or the assumption of responsibilities which are incompatible with effective Board membership and assess the effectiveness of the Board as a whole, the committees of the Board, the contribution of individual directors, and assessment of directors on an ongoing basis.
- (d) Review on a regular basis, the adequacy and form of compensation of directors in the context of the responsibilities and risks involved in being an effective director, including making recommendations to the Board with respect to the actual remuneration (fees, retainers and currency) and benefits provided to directors.
- (e) Review and develop position descriptions for the Board, the Chairman and for the Chief Executive Officer including the definition of the limits to management's responsibilities.
- (f) Ensure appropriate structures and procedures are in place so that the Board can function independently of management. To this end, arrange, at scheduled meetings of the Board, for the external directors to meet for a period of time without management present. In the absence of a non-executive Chairman, the Board may designate a Chair at each such meeting.
- (g) As an integral element of the process for appointing new directors, put in place an orientation and continuing education program for new recruits to the Board.
- (h) Ensure corporate compliance with applicable legislation including directors and officers compliance.

- (i) Review proposed amendments to the Corporation's by-laws before making recommendations to the Board.
  - (j) Periodically review and approve the "Corporate Policy and Guidelines on Business Conduct".
  - (k) Make recommendations to the Board as deemed appropriate with respect to the monitoring, adoption and disclosure of corporate governance guidelines in effect from time to time and review those guidelines once a year.
  - (l) Develop and recommend to the Board standards to be applied in making determinations as to the presence or absence of material relationships between the Corporation and a director.
- (II) Related to Committees of the Board
- (a) Recommend to the Board the types, charters and composition of the Board committees.
  - (b) Recommend to the Board the nominees to the chairmanship of the Board committees including periodic rotation of committee assignments and memberships.
  - (c) Review and make recommendations to the Board, as deemed appropriate, with respect to time of service of members on committees, meetings procedures, quorum and notice requirements, records and minutes, resignations and vacancies on committees.
- (III) Other
- (a) Review such other corporate governance and strategic planning committee functions customarily carried out by such committees as well as such other matters which may be referred to it by the Board from time to time.
- (IV) Self Assessment
- (a) The Committee shall review annually this Charter and any of the Committee's mandate and other documents used by the Committee in fulfilling its responsibilities.
  - (b) The Committee shall assess the performance of the Committee and each of its members on an annual basis in accordance with performance assessment guidelines formulated by the Committee.

March 9, 2012