

## ACE AVIATION HOLDINGS INC.

### CODE OF ETHICS FOR SENIOR FINANCIAL OFFICERS

This Code of Ethics (the “**Code**”) applies to the Chief Executive Officer, Chief Financial Officer, and Corporate Controller (collectively, the “**Senior Financial Officers**”) of ACE Aviation Holdings Inc. (the “**Corporation**”). The purpose of this Code is to promote honest and ethical conduct and compliance with the law, including with respect to the Corporation’s financial records and the preparation of financial statements filed with the various securities commissions of Canada and of the United States of America (“**U.S.**”). The obligations of this Code supplement, but do not replace, the Corporation’s corporate policy and guidelines on business conduct and the general code of conduct applicable to all employees.

1. Senior Financial Officers are expected to carry out their responsibilities honestly and with integrity, exercising at all times their best independent judgment. The leadership responsibilities of Senior Financial Officers include creating a culture of high ethical standards and commitment to compliance, maintaining a work environment that encourages employees to raise concerns, and promptly addressing employee compliance concerns.

2. Senior Financial Officers are required to comply with the laws, rules and regulations that govern the conduct of the Corporation’s business and to report any suspected violations in accordance with section 5 of this Code.

3. Senior Financial Officers must avoid situations in which their own interests conflict, or may appear to conflict, with the interests of the Corporation. A conflict situation can arise when a Senior Financial Officer takes actions or has interests that may make it difficult to perform his or her work objectively and effectively. Conflicts of interest also arise when a Senior Financial Officer finds himself or herself with an actual or apparent material conflict of interest, in which case he or she must promptly disclose it to the Chair of the Governance and Corporate Matters Committee of the Board of Directors (the “**Governance Committee**”) who will review the transaction or relationship. If the Chair determines that a material conflict does exist, he or she will refer the matter to the Governance Committee, which shall determine how the situation should be resolved. In furtherance of the foregoing, no Senior Financial Officer may:

- (a) Work for or receive payments for services from any competitor, customer, distributor or supplier of the Corporation, or from any person or entity that has business relations with the Corporation;
- (b) Hold, or have any immediate family member who holds, any interest exceeding the lower of (i) 5 % and (ii) \$250,000, in any corporation or entity that directly or indirectly competes with the Corporation or any division or affiliate, or that has a material contract or vendor relationship with the Corporation;
- (c) Accept gifts valued at more than nominal value from any customer, distributor or supplier, or from any person or entity that has a business relationship with the Corporation;
- (d) Provide a gift to any person or entity that would violate any law;

- (e) Use non-public information regarding the Corporation, its clients, distributors or suppliers, except for the purpose of performing his/her tasks as a Senior Financial Officer of the Corporation; and
- (f) Receive a loan, or financial assistance, from the Corporation or a third party as a result of such Senior Financial Officer's position at the Corporation.

4. Senior Financial Officers are responsible for assuring full, fair, accurate, timely and understandable disclosure of material financial information of the Corporation to shareholders and investors. In particular they are responsible for assuring that the Corporation complies with all the rules governing disclosure of financial information and for ensuring that press releases and other communications with investors and securities analysts are fair and accurate. Among other things, Senior Financial Officers shall:

- (a) Design, establish and maintain disclosure controls and procedures in order to ensure that material information relating to the Corporation (on a consolidated basis) is made known to them by others within the Corporation and its subsidiaries;
- (b) Design, establish and maintain internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- (c) Evaluate on an on-going basis the effectiveness of the Corporation's disclosure controls and procedures;
- (d) Ensure that financial information is recorded, processed and transmitted to those responsible for preparing periodic reports and other public communications containing financial information so that they are complete, accurate, and timely;
- (e) Oversee the appropriate personnel to ensure that the internal control over financial reporting and disclosure controls and procedures are being followed;
- (f) Carefully review each periodic report for accuracy and completeness before it is submitted to the Corporation's Board of Directors (or committee of the Board of Directors) for filing with Canadian and U.S. securities commissions and stock exchanges and carefully review each press release and other public communication containing financial information before it is released;
- (g) Promptly disclose to the Chair of the Audit, Finance and Risk Committee and the Corporation's independent auditors, any material weaknesses in, or concerns regarding, the Corporation's disclosure controls and procedures or internal controls over financial reporting; and
- (h) Never create or maintain secret or unrecorded funds, assets, or accounts, or knowingly make a payment or approve an invoice, expense report or other document that is incorrect, misleading or inaccurate or in respect of which the Senior Financial Officer has unresolved questions.

5. Senior Financial Officers should promptly bring to the attention of the Chair of the Audit, Finance and Risk Committee or the Board of Directors:

- (a) Any matters that could compromise the integrity of the Corporation's financial reports;
- (b) Any unresolved disagreement with the external auditors with respect to any material accounting matter; and
- (c) Any violation of this Code or of any law or regulation related to the Corporation's accounting, financial or fiscal affairs.

6. No Senior Financial Officer may discharge, demote, suspend, threaten, harass, or in any other manner discriminate against an employee because of any lawful act done by the employee (i) to provide information, cause information to be provided or otherwise assist in an investigation regarding any conduct which the employee reasonably believes constitutes a violation of law, including any rule or regulation of Canadian and/or U.S. securities commissions or of any stock exchange on which the Corporation's securities are listed, or any law relating to fraud or (ii) to file, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or about to be filed (without any knowledge of the employer) relating to an alleged violation of any law, including any rule or regulation of Canadian and/or U.S. securities commissions or of any stock exchange on which the Corporation's securities are listed, or any provision of law relating to fraud against shareholders. Neither will the Corporation discharge, demote, suspend, threaten, harass, or in any other manner discriminate against a Senior Financial Officer who takes any such lawful action specified above.

7. Any Senior Financial Officer seeking to obtain a waiver of this Code must make full disclosure of the particular circumstances concerning the waiver request to the Governance Committee. The Governance Committee shall be required to approve any waiver or amendment of this Code, and any such waiver or amendment shall be disclosed promptly, in accordance with applicable laws and regulations.

8. A failure by any Senior Financial Officer to comply with the laws or regulations governing the Corporation's business, this Code or any other Corporation policy or requirement may result in disciplinary action, including termination, and, if warranted, legal proceedings. The Governance Committee will investigate any such violations and appropriate action will be taken in the event of any violations of this Code.

#### **No Rights Created**

This Code is a statement of certain fundamental principles, policies and procedures that govern the Corporation's Senior Financial Officers in the conduct of the Corporation's business. It is not intended to and does not extend any rights to any employee, customer/client, visitor, supplier, competitor, shareholder or any other person or entity.

March 8, 2005