

**CARGOJET INC.**

**CHARTER OF THE BOARD OF DIRECTORS**

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### **I. Purpose**

The Board of Directors of Cargojet Inc. (the “**Corporation**”) is ultimately responsible for the stewardship of the Corporation and the operation of the business of the Corporation. The Board of Directors will discharge its responsibilities directly and through committees currently consisting of an Audit Committee, a Compensation and Nominating Committee and a Corporate Governance Committee. The Board of Directors will also be responsible for adopting and periodically reviewing the Corporation’s Timely Disclosure, Confidentiality and Insider Trading Policy. The Board of Directors shall meet regularly to review the business operations, governance and financial results of the Corporation. Meetings of the Board of Directors shall include regular meetings without management to discuss specific aspects of the operations of the Corporation.

### **II. Composition**

The Board of Directors shall be constituted at all times of a majority of individuals who, subject to any exemptions set out in National Instrument 52-110 Audit Committees (“**NI 52-110**”), will be independent. An “independent” director is a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which could, in the view of the Board of Directors of the Corporation, be reasonably expected to interfere with the exercise of the director’s independent judgement or a relationship deemed to be a material relationship pursuant to NI 52-110.

### **III. Responsibilities**

The Board of Directors’ responsibilities include, without limitation to its general mandate, the following specific responsibilities:

1. Appointing an independent chairman who will be responsible for the leadership of the Board of Directors and for specific functions to ensure the independence of the Board of Directors.
2. The assignment to committees of directors of the Corporation, the general responsibility for developing the Corporation’s approach to: (i) financial reporting and internal controls; (ii) corporate governance issues; and (iii) issues relating to compensation of directors, officers and employees;
3. With the assistance of the Audit Committee:
  - (a) recommending the appointment of auditors and assessing the independence of the auditors;
  - (b) ensuring the integrity of the Corporation’s internal control and management information systems;

- (c) identifying the principal risks of the Corporation's business and ensuring that appropriate systems are in place to manage these risks;
  - (d) approving interim and annual financial statements of the Corporation; and
  - (e) reviewing the Charter of the Audit Committee, at least annually.
4. With the assistance of the Compensation and Nominating Committee:
- (a) approving the compensation of directors, senior management and all other significant employees;
  - (b) ensuring that an appropriate selection process for new nominees to the Board of Directors of the Corporation is in place and developing the Corporation's approach to nomination and review of directors, officers and employees; and
  - (c) developing the corporate objectives that the Chief Executive Officer is responsible for meeting, and assessing the Chief Executive Officer against these objectives.
5. With the assistance of the Corporate Governance Committee:
- (a) developing the Corporation's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Corporation;
  - (b) approving the formal charters of the Audit Committee, Compensation and Nominating Committee and Corporate Governance Committee; and
  - (c) adopting a communication policy for the Corporation.
6. Assessing, at least annually, the effectiveness the Board of Directors of the Corporation as a whole, the Audit Committee, Compensation and Nominating Committee and Corporate Governance Committee and the contribution of individual directors, including consideration of the appropriate size of the Board of Directors of the Corporation.
7. Ensuring that an appropriate orientation and education program for new recruits to the Board of Directors of the Corporation is in place and providing continuing education opportunities for all directors.
8. Succession planning and the appointment, training and monitoring of the Chief Executive Officer and other senior management.
9. Developing a position description for the Chair of the Board of Directors and the Chair of each Board Committee.

10. Developing, together with the Chief Executive Officer, a position description for the Chief Executive Officer, including the definition of the limits to management's responsibilities.
11. Approving securities compliance policies, including communications policies of the Corporation and reviewing these policies at least annually.
12. The adoption of a strategic planning process and the approval and review, on at least an annual basis, of a strategic plan that takes into account business opportunities and business risks.
13. The adoption of a formal process to consider what competencies and skills the board, as a whole, should possess and what competencies and skills each existing director possesses.
14. The adoption of a formal code of business ethics or business conduct for the Corporation that governs the behaviour of Directors of the Corporation and directors, officers and employees of subsidiaries of the Corporation.
15. Monitoring compliance with the code of business ethics or business conduct and granting any waivers from compliance with the code for Directors of the Corporation and directors and officers of subsidiaries of the Corporation.
16. Ensuring that the Charter of the Audit Committee is published in the Corporation's annual report or annual information form as required.
17. Performing such other functions as prescribed by law or assigned to the Board of Directors of the Corporation in the constating documents governing the Corporation.

#### **IV. Administrative Procedures**

1. The members of the Board of Directors are expected to attend all meetings of Board of Directors unless prior notification of absence is provided.
2. The members of the Board of Directors are required to have reviewed board materials in advance of the meeting and be prepared to discuss such materials at the meeting.
3. The Board of Directors shall provide contact information on the website of Cargojet Inc. for the Chairman of the Board of Directors, who will be responsible for receiving feedback from shareholders.