

AUDIT, FINANCE AND RISK COMMITTEE CHARTER
CHORUS AVIATION INC.
(the “Corporation”)

GENERAL PURPOSE

The audit, finance and risk committee (the “Committee”) has been established by the board of directors of the Corporation (the “Board”, and each member thereof, a “Director”) in order to assist the Board in its oversight of:

- (a) the integrity of the Corporation’s financial statements and public disclosure documents;
- (b) the qualifications, performance and independence of the Corporation’s external auditor (the “External Auditor”);
- (c) the performance of the Corporation’s internal audit and risk management function (“Internal Audit”);
- (d) the adequacy of the Corporation’s internal controls and enterprise risk management framework; and
- (e) compliance with applicable laws.

COMMITTEE COMPOSITION

1. **Qualifications.** The Committee shall consist of three (3) or more Directors as determined by the Board (collectively, the “Members”), all of whom shall be Independent and Financially Literate, and a majority of whom shall be Canadian. Notwithstanding the foregoing, a Member who is not Financially Literate may be appointed to the Committee provided that the Member becomes Financially Literate within a reasonable period of time following his or her appointment and provided further that the Board has determined that appointing the Member in these circumstances will not materially adversely affect the ability of the Committee to act independently and satisfy its other obligations.
 - (a) A Member is considered to be “Independent” if (i) the Member has no direct or indirect relationship with the Corporation which, in the view of the Board, could reasonably be expected to interfere with the exercise of the Member’s independent judgment, and (ii) the Member is not an individual who is considered to have a material relationship with the Corporation under section 1.4 or 1.5 of *National Instrument 52-110 – Audit Committees*. Material relationships may include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships.
 - (b) A Member is considered to be “Financially Literate” if the Member has the ability to read and understand a set of financial statements that present a breadth and complexity of the issues that can reasonably be expected to be raised by the financial statements of the Corporation. It is not necessary, however, that a

Member have comprehensive knowledge of Generally Accepted Accounting Principles or Generally Accepted Auditing Standards to be considered Financially Literate.

- (c) A Member is considered to be “Canadian” if he or she is a Canadian citizen or permanent resident within the meaning of subsection 2(1) of the *Immigration and Refugee Protection Act*.
2. **Appointment; Removal.** The Members shall be appointed by the Board and serve until the next annual meeting of the Corporation’s shareholders, unless they are removed by the Board, they resign or otherwise cease to serve on the Committee or the Board. Unless a Chair is appointed by the Board, the Members may designate a Chair by a majority vote of all the Members. The Board may fill vacancies on the Committee by appointing another Director to the Committee. The Board shall fill any vacancy if the membership of the Committee is less than three (3) Directors.

DUTIES AND RESPONSIBILITIES

The Committee is directed and empowered by the Board to perform the following duties and responsibilities:

1. **Financial Reporting.**
- (a) **Consolidated Financial Statements.** Recommend to the Board the approval of the interim and annual consolidated financial statements of the Corporation (the “Consolidated Financial Statements”). In this regard, the Committee shall first review, among other things:
- (i) the report of the External Auditor on the Consolidated Financial Statements;
 - (ii) the accounting policies selected by the Corporation’s management (“Management”) in preparing the Consolidated Financial Statements;
 - (iii) the reasonableness of all significant estimates, accruals and reserves employed by Management in preparing the Consolidated Financial Statements;
 - (iv) any unadjusted differences noted by the External Auditor in its review or audit of the Consolidated Financial Statements;
 - (v) any disagreements between the External Auditor and Management with respect to the Consolidated Financial Statements; and
 - (vi) the certificates to be executed and filed by the Chief Executive Officer and the Chief Financial Officer in accordance with the requirements of *National Instrument 52-109 – Certification of Disclosure in Issuer’s Annual and Interim Filings*.

- (b) **MD&A.** Recommend to the Board the approval of Management’s Discussion and Analysis (the “MD&A”) relating to the annual or interim Consolidated Financial Statements upon gaining reasonable assurance that the MD&A has been prepared in accordance with applicable legal requirements.
- (c) **Earnings News Release.** Recommend to the Board the approval of the earnings news release (the “Earnings Release”) relating to the annual or interim Consolidated Financial Statements.
- (d) **Accounting Choices.** Review, as required, with Management and the External Auditor any significant developments or choices that may impact the Corporation’s financial reporting.

2. **External Audit.**

- (a) **External Auditor Appointment.** Recommend to the Board a firm of chartered professional accountants to be nominated by the Board for appointment by the Corporation’s shareholders as the External Auditor.
- (b) **Audit Fees.** Recommend to the Board for approval the fees to be charged by the External Auditor for the audit of the annual Consolidated Financial Statements and the Pension Financial Statements (as defined below), and the review of the interim Consolidated Financial Statements (the “**Audit Fees**”).
- (c) **External Auditor Oversight.** In order to ensure appropriate oversight of the External Auditor’s work:
 - (i) approve the External Auditor’s engagement letter;
 - (ii) review the External Auditor’s written disclosure of all relationships between it and the Corporation and its related entities that may reasonably be thought to bear on the External Auditor’s independence, as well as the External Auditor’s written confirmation to the Committee that, in the External Auditor’s professional judgment, it is independent of the Corporation;
 - (iii) approve the scope, focus areas and materiality thresholds for the audit of the annual Consolidated Financial Statements and the Pension Financial Statements;
 - (iv) oversee the work of the External Auditor in preparing and issuing an auditor’s report or performing other audit, review or attest services for the Corporation;
 - (v) confirm with the External Auditor that Management has not placed any restrictions on the External Auditor with respect to the scope of its activities, its access to any required information or the reporting of its findings to the Committee;

- (vi) attempt to resolve any disagreements that may arise between the External Auditor and Management;
- (vii) discuss any observations by the External Auditor with respect to any matters that could reasonably be thought to bear on the reliability of the Consolidated Financial Statements, including, among other things:
 - (A) the reasonableness and consistency from one year to the next of the accounting principles, policies, practices, estimates, judgments or disclosure practices employed by the Corporation;
 - (B) any significant deficiencies or weaknesses in the Corporation's control environment;
 - (C) any significant deviations from the annual audit plan approved by the Board; and
 - (D) any significant adjustments that have been made by Management to the Consolidated Financial Statements as a result of the External Auditor's audit or review activities; and
- (viii) review the performance of the External Auditor.
- (d) **Non-Audit Services.** Pre-approve, as required, all fees for non-audit services to be provided by the External Auditor to the Corporation or its subsidiaries.
- (e) **Hiring Policies.** Approve, and review annually, the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former External Auditor.

3. **Internal Audit and Risk Management.**

- (a) **Review and Appointment.** Review, annually, the performance of Internal Audit and approve, as required, the appointment and removal of the head of Internal Audit.
- (b) **Mandate and Plan.** Approve the Internal Audit mandate and plan for each fiscal year of the Corporation.
- (c) **Engagement Reviews.** Review, quarterly, a summary of all Internal Audit engagements and Management's responses to all significant findings, including reports of any confirmed or alleged fraud. In connection therewith, confirm with the head of Internal Audit that Management has not placed any restrictions on Internal Audit with respect to the scope of its activities, access to any required information or the reporting of its findings to the Committee.
- (d) **Principal Risks.** Review, annually, Management's (i) assessment of the principal financial and other risks to the Corporation, and (ii) procedures for continually identifying, monitoring and managing those risks.

4. **Controls and Compliance.**

- (a) **Internal Controls over Financial Reporting.** Review (i) quarterly, any material weaknesses identified by Management in relation to the design or operation of the Corporation's internal controls over financial reporting ("ICFR") and Management's actions to remediate such weaknesses, and (ii) annually, Management's process for assessing any required updates or changes to the Corporation's ICFR.
- (b) **Disclosure Controls and Procedures.** Review (i) quarterly, any material weaknesses identified by Management in relation to the design or operation of the Corporation's disclosure controls or procedures ("DC&P") and Management's actions to remediate such weaknesses, and (ii) annually, Management's process for assessing any required updates or changes to the Corporation's DC&P. In connection therewith, approve the Corporation's Public Disclosure Policy.
- (c) **Accounting, Control or Auditing Concerns.** Approve, and review annually, procedures for the receipt, retention and treatment of complaints received by the Corporation and its subsidiaries regarding accounting, internal accounting controls, or auditing matters.
- (d) **Confidential Submission of Wrongdoing.** Approve, and review annually, procedures for the confidential, anonymous submission by employees of the Corporation or its subsidiaries of concerns regarding questionable accounting or auditing matters.
- (e) **Confidential Reports.** Review, quarterly, a summary of all complaints and reports submitted pursuant to the procedures referenced in paragraphs (c) and (d) above.
- (f) **Tax Compliance.** Review, quarterly, a certificate from Management confirming compliance by the Corporation and its subsidiaries with all material tax withholding and remittance obligations.
- (g) **Covenant Compliance.** Review, quarterly, a report from Management confirming compliance by the Corporation and its subsidiaries with all debt covenants and providing a forecast of future compliance.
- (h) **Legal Compliance.** Review, as required, reports from the General Counsel concerning material violations of applicable law by the Corporation or any of its subsidiaries.
- (i) **Litigation.** Review, as required, all legal claims or proceedings involving the Corporation or its subsidiaries that Management reasonably expects could have a significant effect on the financial position, results of operations or cash flows of the Corporation.

5. **Environment, Health and Safety.**

- (a) **EHS Monitoring.** Review, quarterly, the performance of the Corporation's operating subsidiaries in relation to their environmental, health and safety ("EHS") obligations by reviewing:
 - (i) all EHS incidents involving a serious injury or fatality, significant harm to the natural environment, or significant loss or damage to property ("Significant Incidents");
 - (ii) all EHS incidents (whether or not Significant Incidents) that required reporting to regulatory authorities;
 - (iii) performance against each operating subsidiary's EHS performance targets; and
 - (iv) the results of EHS compliance audits and the corrective actions taken by the Corporation's operating subsidiaries.

6. **Pension Plans.**

- (a) **Monitoring.** Review, quarterly, reports from Management concerning the overall operation of the retirement plans of the Corporation and its subsidiaries (collectively, the "Plans"), including their asset allocations and investment returns, their funded status and their compliance with the applicable Statements of Investment Policies and Procedures ("SIPPs").
- (b) **Funding, Auditor, Trustee/Custodian.** Recommend to the Board, annually, the approval of the funding policy, the appointment of the external auditor and the trustees/custodians of the assets of the Plans;
- (c) **SIPP, Actuary, Consultants.** Approve, annually, the SIPPs, the actuary and any consultant(s) for the Plans;
- (d) **Valuation.** Accept the annual actuarial assumptions and valuation reports for the Plans;
- (e) **Financial Statements.** Recommend to the Board the approval of the annual audited financial statements for the Plans; and
- (f) **Pension Committee Charter.** Approve, annually, a charter for the Management Pension Committee.

7. **Business Plan and Performance.**

- (a) **Year-to-Date.** Review, quarterly, the Corporation's consolidated year-to-date financial performance, including any significant variances to the current year business plan and prior year financial performance.

- (b) **Balance-of-Year Forecast.** Review, quarterly, Management's most recent financial forecast for the balance of the year, including projected earnings and cash-flows.

8. **Other Duties.**

Without limiting any of the duties set out above, the Committee shall:

- (a) recommend to the Board, annually, the approval of the Corporation's delegation of authority policy;
- (b) review, annually, the Corporation's procedures for approving the reimbursement of expenses claimed by the Corporation's officers;
- (c) approve the Committee's report that is included in the Corporation's annual proxy circular and the information about the Committee that is required to be included in the Corporation's annual information form;
- (d) review this charter annually and provide any comments thereon to the Governance and Nominating Committee of the Board for consideration; and
- (e) perform such other duties as from time to time are assigned to the Committee by the Board.