

AIR CANADA

Position Description for the Chairman of the Board of Directors

As Chairman of the Board of Directors (the "**Chairman**"), the Chairman chairs Board meetings and establishes procedures to govern the Board's work.

The Chairman's primary responsibilities are:

- Being satisfied that the responsibilities of the Board are well understood by both the Board and management, and that the relative responsibilities of the Board and management are clearly understood and respected;
- Being satisfied that the Board works as a cohesive team and providing the requisite leadership to achieve this;
- Being satisfied that the resources available to the Board (in particular, timely and relevant information) are adequate to support its work;
- Being satisfied that a process is in place by which the effectiveness of the Board and its committees is assessed on a regular basis;
- Being satisfied that a process is in place by which the contribution of individual directors to the effectiveness of the Board and committees is assessed on a regular basis;
- Consulting with the CEO to set the agendas of the Board's meetings;
- Adopting procedures to enable the Board can conduct its work effectively and efficiently, including committee structures and composition, scheduling, and management of meetings;
- Developing the agenda for Board meetings, Board procedures and the composition of Board Committees;
- Providing appropriate information from management to enable the Board and Committees to exercise their responsibilities;
- Providing the proper flow of information to the Board;
- Being satisfied that the Board has access to such members of senior management as may be required by the Board;
- Chairing every meeting of the Board and encouraging free and open discussion at meetings of the Board;
- Chairing every meeting of shareholders and responding to such questions as are put to the Chair at any such meeting;
- Acting as a liaison between the Board and management;
- Carrying out other duties as requested by the Board as a whole, depending on need and circumstances;

- Being satisfied that, where functions are delegated to a Committee, the functions are carried out and results are reported to the Board. Without limiting them, examples of such functions could include:
 - assessing the performance of the CEO;
 - being satisfied that appropriate human resource management practices (including succession, development and compensation plans) are in place for senior management;
 - being satisfied that succession planning for the Board is carried out; and
 - being satisfied that an adequate orientation and training program for new Board members and an education program for existing directors are in place.
- Approaching potential candidates (with or without the CEO) once they are identified, to explore their interest in joining the Board; and
- Being available as a resource to consult with the CEO and other directors or, corporate governance practices and policies, and assuming the leadership role in addressing issues of this nature if under the circumstances it is inappropriate for the CEO to assume such leadership.

March 28, 2008