



CAE INC.
MEMBERSHIP AND RESPONSIBILITIES OF THE
EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

ROLE AND MEMBERSHIP

The Executive Committee (“the Committee”) shall be a sub-committee of the Board of Directors which, during the intervals between the meetings of the Board, shall possess and may exercise (subject to any regulations which the Board may from time to time impose) all the powers of the Board in the management and direction of the operations of the Corporation, save and except only those acts which a committee of directors has no authority to exercise.

The Committee shall consist of not less than three (3) directors one of whom shall be the Chairman of the Board as Chairman of the Committee. A majority of the members of the Committee shall be resident Canadians.

The members of the Committee shall be elected annually by the Board of Directors following recommendation of the Chairman of the Board.

A majority of members of the Committee shall constitute a quorum.

RESPONSIBILITIES

The Executive Committee shall exercise its powers as it shall deem best for the interests of the Corporation in all cases in which specific directions shall not have been given by the Board. All action by the Executive Committee shall be reported to the Board at its meeting next succeeding such action and shall be subject to revision or alteration by the Board; provided that no acts or rights of third parties shall be affected or invalidated by any such revision or alteration.

MEETINGS

The Executive Committee shall meet at such times as they shall by resolution appoint, and shall also meet at any other time or place at the call of the Committee Chairman or the President and Chief Executive Officer on two hours’ notice to be given orally or by telephone or in any of the manners provided in section 12.01 of the Corporation’s by-laws.

The powers of the Executive Committee may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of such Committee who would have been entitled to vote on that resolution at a meeting of the Committee.

2 February 1994