

CAE Inc.

Chairman of the Board of Directors Position Description

The Chairman of the Board of Directors is responsible for the effective functioning of the Board.

The Chairman of the Board shall be appointed by the Board of Directors for a one year term at the first meeting of the Board of Directors following the annual meeting of shareholders each year (provided that if there is a vacancy in such office, the members of the Board of Directors shall appoint one of the Directors to fill the vacancy, and further provided that any Director may chair a Board meeting in the absence of the Chairman of the Board).

The Chairman of the Board shall:

1. Establish procedures to govern the Board's work and ensure the Board's full discharge of its duties, including:
 - Collaborating with members of the Board of Directors, and the CEO and Secretary, to develop the agenda for Board meetings so as to fully discharge the mandate of the Board;
 - Ensuring proper flow of information, from management, external consultants or otherwise, to enable the Board to exercise its responsibilities and assessing the adequacy and timing of documentary materials provided to the Board;
 - Ensuring that all items requiring Board approval or Board recommendations to the Board are appropriately tabled;
 - Ensuring that external advisors retained or to be retained by the Board are appropriately qualified and independent; and
 - Ensuring that the Board has access to such members of senior management as may be required by the Board.
2. Chair the meetings of the Board and encourage free and open discussion at meetings of the Board.
3. Receive notices and materials for all committee meetings and attend all such meetings whenever possible.
4. Report to the Shareholders on behalf of the Board.
5. Chair every meeting of shareholders and respond to such questions from shareholders as may be put to the Chairman of the Board.
6. Ensure that the Board fulfills the Board's Mandate.
7. Carry out other duties as requested by the Board, depending on need and circumstances.

8. Together with the Corporate Governance Committee, identify guidelines for the selection of, and evaluation of conduct of, the Directors.
9. Act as liaison between the Board and management.

February 14, 2006